

**Department of Business, Economic Development & Tourism**  
**Supplemental Budget FY 2022 - 2023**  
**2022 Hawai'i State Legislature**  
**Budget Briefing**

Statement of  
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**Director**  
Department of Business, Economic Development & Tourism  
Before the  
**HOUSE FINANCE COMMITTEE**  
January 5, 2022  
1:30 PM  
State Capitol, Conference Room 308

**Informational Budget Briefing**

Aloha,

Chair Luke, Vice Chair Cullen, and Members of the Committee. Thank you for this opportunity to testify on the Department of Business, Economic Development and Tourism's (DBEDT) budget.

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

**BRIEF INTRODUCTION**

The State of Hawai'i made great strides toward economic recovery in 2021, though the onset of new COVID-19 variants requires continued work to stabilize our hardest hit industries and the families whose livelihoods depend on them.

Tourism, Hawai'i's largest industry, was hit the hardest by the COVID-19 pandemic with visitor arrivals decreasing 97.2 percent between April and October 2020 and visitor expenditures with a decrease of 95.6 percent during the same period. Since the launch of the Safe Travels Program in October 2020, the industry has recovered to 88.4 percent of arrivals and 93 percent of expenditures as compared with pre-pandemic levels in 2019. As of November 2021, the payroll jobs in the hospitality sector recovered to 74.5 percent as compared with the same month in 2019.

Other economic indicators follow a similar trajectory. While Hawai'i's unemployment rate remained one of the highest in the nation at the start of 2021, it is slowly returning to near pre-pandemic levels—as of November 2021, the seasonally and not seasonally adjusted unemployment rates are 6.0 percent and 5.4 percent, respectively. Real gross domestic product (GDP) in the third quarter of 2021 has recovered to 95 percent of the same period in 2019. As of November 2021, state total payroll jobs recovered to 87.6 percent as compared with pre-pandemic levels in 2019.

As we look to 2022, DBEDT continues to work with community and industry stakeholders to not only recover Hawai'i's economy, but to actualize a diversified, sustainable, and equitable economy

that provides opportunities for all of Hawai'i's citizens. The department's budget requests will further enable actions underway and planned to achieve such an economy.

**DEPARTMENT MISSION STATEMENT:**

DBEDT's mission continues to be achieving a Hawai'i economy that embraces innovation and is globally competitive, dynamic and productive, providing opportunities for all Hawai'i's citizens. Through our attached agencies, we also foster planned community development, create affordable workforce housing units in high-quality living environments, and promote innovation sector job growth.

**DEPARTMENT COMMENTS ON BUDGET ADJUSTMENTS:** Each division/agency will discuss their budget adjustments and details of their projects in each of their sections.

**CURRENT ECONOMIC AND FISCAL CONDITIONS OF THE STATE:**

Though with many interruptions, 2021 was a year of economic recovery for Hawai'i. According to estimates by the U.S. Bureau of Economic Analysis, Hawai'i's economic growth for the first nine months of 2021 was 5.6 percent, the highest since 2005. The second quarter economic growth rate was at 12.6 percent, also the highest quarterly growth rate since 2005.

Reflecting the robust economic growth during the second quarter of 2021, the Hawai'i retail tax base was \$10 billion, the second highest quarterly sales in Hawai'i's history, just shy of the record first quarter of 2020 by \$13.5 million. Hawai'i's contracting tax base also had the second-best quarter in history at \$2.64 billion over the same period, just \$4.2 million short from the record level of \$2.65 billion in third quarter of 2020.

As a comprehensive indicator of Hawai'i economic activities, the state general excise tax (GET) collections were a record high of nearly \$1 billion in the third quarter of 2021. Year-to-date through November 2021 (calendar year), total GET collection was 99.2 percent of the collection during the same period in 2019.

Hawai'i's labor market conditions have continued to improve in 2021 with unemployment rates decreasing to a seasonally adjusted rate of 6.0 percent in November 2021 and 5.4 percent not seasonally adjusted. This compares to the 10.3 percent unemployment rate over the period last year for seasonally adjusted and 10.4 percent not seasonally adjusted. In November 2021, the total number of people employed either as payroll employees or self-employed was the highest since March 2020 at 608,000 and represents a 92.3 percent recovery compared to the pre-pandemic period of November 2019. The number of people who were on unemployment and still seeking jobs dropped to 38,450 in November 2021, the lowest level since March 2020.

Non-agricultural payroll jobs started to recover in the second quarter of 2021 with the second quarter growth rate at 10.4 percent and third quarter at 11.1 percent from the same period in 2020. As of November 2021, total non-agriculture payroll job count recovered to 87.6 percent of the November 2019 level.

Although it has improved significantly, Hawai'i is still among the states with the highest unemployment rate. The seasonally adjusted rate was the seventh highest, and the non-seasonally adjusted rate was the fourth highest in the nation in November 2021.

Hawai'i's tourism industry's recovery accelerated between January and July of 2021. In January 2021, total visitor arrivals were 21 percent of the level of the same month in 2019, increasing to 57 percent in April, and 88.4 percent in July 2021. Beginning in August, the spread of the delta variant slowed the pace of tourism recovery through the middle of December. Through November 2021, total visitor arrivals reached 6 million and visitor spending totaled \$11.3 billion, representing a 63.9 percent recovery in arrivals and a 71 percent recovery in visitor expenditures, during the first 11 months of 2021 from the same period in 2019.

During the first 11 months of 2021, U.S. mainland visitors accounted for 96.1 percent of total visitors representing a 92.8 percent recovery from 2019 level. International visitor recovery was only at 7.6 percent. Since April 2021, U.S. visitor count surpassed the 2019 monthly levels. Between May and November 2021, U.S. visitor count was 110.4 percent of the same period in 2019. Compared with 2019 and 2020, visitors in 2021 spent more on a daily basis and stayed longer.

The construction industry performed well during the pandemic. In 2020, total construction put in place as measured by the contracting tax base reached a historic high of \$9.8 billion. During the first eight months of 2021, the total value of construction completed was \$6.7 billion, a 4.5 percent increase from the same period in 2020.

During the first 11 months of 2021, the value of private building permits issued by the county building departments increased 27.2 percent of which the value of residential building permits increased 80.2 percent while the value of commercial and industrial permits increased 10.5 percent and additions and alterations building permits decreased 9.1 percent.

The number of residential home units authorized by the county building departments increased to 4,281 units during the first three quarters of 2021 compared to 1,916 units authorized during the same period a year ago—a 123.4 percent increase. Of the total authorized units during the first nine months this year, 40.9 percent or 1,751 were single family units and 49.1 percent or 2,530 were condominium units.

During the first three quarters of 2021, there were 19,240 homes sold statewide, a 49.3 percent increase from the same period in 2020 and 26.7 percent increase from the same period in 2019. Of the homes sold during the first nine months of 2021, 47.7 percent or 9,181 were single family homes and 52.3 percent or 10,059 of them were condo units.

The average sale price for single family homes during the first nine months of 2021 was \$1,044,537, representing a 30.5 percent increase from the same period in 2019 and 31.1 percent increase from the same period in 2020. During the same period, the average sale price for condo homes was \$660,940, an increase of 15.3 percent from same period in 2019 and 13.4 percent from the same period in 2020.

New developments in the U.S. and local economy in the past few months will impact the economic growth nationwide. The first is the unexpected rise in consumer inflation due to supply chain issues. U.S. consumer inflation rate in November 2021 was 6.8 percent, the highest since 1990. Hawai'i's consumer inflation rate in November 2021 was 5.4 percent, the highest since 2007. Consumer price increases are driven by increasing oil and commodity prices. Crude oil price, as measured by New York Exchange WTI Future Price, increased 74.5 percent during the first 11 months of 2021 as compared with the same period last year. Hawai'i's general commodity price increased by 10.4 percent between May and November of 2021.

On November 15, 2021, President Biden signed into law the \$1 trillion infrastructure bill. Hawai'i is expected to receive \$1.8 billion from the total. This fund will further help the Hawai'i construction industry in the next few years in the form of government construction such as airports, highways, and broadband.

After an 8.1 percent decline in bankruptcy filing in 2020, there were a total of 1,101 bankruptcy filings during the first 11 months of 2021 which represents a 20.9 percent decrease from the same period in 2020.

The economic recovery was reflected in DBEDT's fourth quarter forecast which was released on November 30, 2021. For 2021, the forecast predicts Hawai'i's real GDP growth will be 3.9 percent for 2021 and 3.0 percent for 2022. Visitor arrivals will recover to 85 percent and 92 percent of the 2019 level in 2022 and 2023, respectively.

The recent development of the omicron variant may create some uncertainties in our economic recovery. DBEDT will continue to monitor the pandemic and update its economic forecasts accordingly.

**DEPARTMENT ECONOMIC DEVELOPMENT FRAMEWORK:**

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



The department’s activities are guided by the following high-level values, strategies, and tactics.

**VALUES**

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

**STRATEGIES**

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

**TACTICS**

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

**BUDGET REQUESTS:** The department’s budget requests are listed on Table 4. The divisions/attached agencies that have budget requests will describe their projects/requests for each adjustment in each of their sections.

**NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

Each division/agency will discuss their notable performance measures, expected outcomes, and recent results in each of their sections.

## **BUSINESS DEVELOPMENT & SUPPORT DIVISION – BED 100**

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

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

### **CURRENT ECONOMIC AND FISCAL CONDITIONS:**

Due to drastic cuts to BDSD's budget as a result of COVID-19 and the large share of BDSD's general funds restriction, the division experienced extreme hardships on its ability to undertake planned projects and activities to meet its intended goals and objectives.

BDSD had to shift gears to provide more direct and hands-on assistance to small businesses during these economically challenging times. BDSD was appropriated CARES funding in Act 9, SLH 2020, with the results as follows:

- **CARES Fund Projects:**

#### **WORKFORCE DEVELOPMENT INITIATIVE UTILIZING CARES FUNDS**

DBEDT contracted with two non-profits, Kupu and the Economic Development Alliance of Hawai'i (EDAH), to train and pair individuals in Hawai'i's workforce with companies to provide workers with an opportunity to transition their careers and provide companies with additional resources for business recovery.

As reported last year, the objectives of the program were met as 346 individuals were placed in conservation, land management and agricultural jobs, assisting 151 organizations by Kupu. EDAH placed 433 individuals in emerging industries (non-tourism) related jobs, assisting 134 companies.

DBEDT was appropriated \$10 million for this project. The total cost for the projects amounted to \$ 6,902,402.44. The balance of funds from the appropriation less oversight expenses (\$3,097,597.56) were returned to the State Treasury.

#### **CARES FUNDS TO SUPPORT THE HAWAI'I FISHING INDUSTRY**

DBEDT was appropriated \$3 million for this project. The State entered into a \$2 million contract with the Hawai'i Longline Association (HLA) and \$780,000 contract with the Pacific States Marine Fisheries Commission (PSMFC) to encourage a continued fish supply to fill food shortages and support local food security caused by the pandemic.

HLA established the Fishing Vessel Support Program (FVSP) to reimburse qualified

fishing vessels up to \$7,500 in eligible expenditures. Up to 135 fishing vessels received support from this program. The PSMFC contract provided economic support to Hawai'i's commercial non-longline fishery and charter/for-hire fishing vessels for their economic injury and for their trip expenses. The number of applicants that received support was 158. The cost for all projects totaled \$2,914,987.82. The remaining funds from the appropriation less oversight expenses (\$85,012.18) were returned to the State Treasury.

- **Additional CARES funding:**

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

Due to COVID-19, businesses in Hawai'i needed to redesign and remodel the set-up of their physical operation, as well as adjust their operational practice, products and services. Twenty-five million dollars was allocated for the “Pivot Program,” under contract with the Chamber of Commerce of Hawai'i, to provide Hawai'i companies with financial assistance to retool their operations and products and address necessary changes. Eligible companies were Hawai'i storefront companies with less than 100 employees and funding was up to \$10,000.

At the culmination of the program, 2,366 companies received assistance at a total cost of \$17.9 million. The remaining funds from the appropriation less oversight expenses (\$6,825,753.44) were returned to the State Treasury.

BDSD also received the department's FY21, \$15 million general fund appropriation from the State Legislature to facilitate economic recovery and resiliency. These funds were managed by the Director's office and allocated in accordance with the department's statutory directive to conduct research and demonstration projects (HRS 201-2). Of the total appropriation, DBEDT allocated \$11.9 million of which \$3.4 million was utilized for CARES Act overhead adjustments. The remaining \$3.1 million was returned to the general fund.

The funds were allocated across three objectives:

- 1) Strengthen traded activities that can redistribute Hawai'i's GDP (“O1”);
- 2) Strengthen Hawai'i's participation in the digital economy through direct project activity or by increasing critical infrastructure needs to enhance local economic development efforts (“O2”); and
- 3) Strengthen DBEDT's infrastructure to better serve the community's well-being (“O3”).

The table on the following page summarizes the initiatives prioritized, their outputs, and current or anticipated outcomes.



| <b>Initiative</b>   | <b>Objective(s) Supported</b> | <b>Outputs</b>  | <b>Outcomes</b>   |
|---|-------------------------------|---|---|
| Remote Work Demonstration Project                             | O1, O2, O3                    | <ul style="list-style-type: none"> <li>- Consumer and business-facing <a href="#">website</a> with remote work resources. (invest.hawaii.gov/remote)</li> <li>- Data analytics to assess remote work macro-trends.</li> <li>- Research study on remote work marketplace to understand current remote work practices and future plans, capacity, benefits and challenges, and interest levels in remote work from employee and employer perspectives.</li> <li>- Distribution process for refurbished laptops to bridge digital divide.</li> </ul> | <ul style="list-style-type: none"> <li>- Partnership and coordination between DBEDT and WDD / WDC to support the pivot to an equitable digital economy.</li> <li>- Data-driven insights to help shape state programs and policies pertaining to the remote work marketplace.</li> <li>- Scalable demonstration programs for remote work equipment access and job training and placement.</li> </ul> |
| Strengthen Export of Hawaii Products                          | O1, O3                        | <ul style="list-style-type: none"> <li>- Identify, plan, and develop post-production value-added agricultural opportunities.</li> <li>- Preliminary “Made in Hawaii” opportunity framework based on marketplace assessment of supply and demand.</li> </ul>   | <ul style="list-style-type: none"> <li>- Partnership and coordination between DBEDT, UH, ADC to strengthen enabling infrastructure to increase value-added agriculture exports.</li> <li>- Data-driven insights to inform “Made in Hawaii” policy, branding, and promotion.</li> </ul>  |
| Increase Federal Contract Opportunities and Commercialization | O1, O2                        | <ul style="list-style-type: none"> <li>- Cyber security mentorship program (see “CyberHawaii” below).</li> <li>- Preliminary dual use task force findings and recommendations per Act 121, SLH 2021.</li> </ul>   | <ul style="list-style-type: none"> <li>- Enhanced capacity for Hawaii businesses to pursue federal contracts.</li> <li>- Partnership and coordination between government and private sector dual use industry initiatives.</li> </ul>   |
| Implement New Measures of Economic “Well-being”               | O3                            | <ul style="list-style-type: none"> <li>- Updated methodology, calculation, and operational manual for the Genuine Progress Indicator (GPI).</li> </ul>  | <ul style="list-style-type: none"> <li>- DBEDT’s operationalization of tracking Hawaii’s Genuine Progress Indicator as a measure of economic prosperity that takes into account traditional economic, environmental, and social factors.</li> </ul>   |
| DBEDT 2.0 Change Management Program                           | O3                            | <ul style="list-style-type: none"> <li>- Department-wide staff training, strategies, and skill development to serve in an evolving economy.</li> <li>- Community-centered economic planning and development demonstration projects.</li> </ul>  | <ul style="list-style-type: none"> <li>- Strengthen DBEDT’s capacity as a facilitative catalyst for economic development that serves the well-being of Hawaii’s people, environment, and culture.</li> </ul>  |
| Hawaii Strong Program   | O3                            | <ul style="list-style-type: none"> <li>- Programming for Hawaii’s families to safely enjoy together, while supporting Hawai’i’s entertainment professionals.</li> </ul>   | <ul style="list-style-type: none"> <li>- Support community resilience through individual well-being.</li> </ul>   |

## NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Hawai'i State Trade Expansion Program (HiSTEP):** HiSTEP is an export development program designed to: 1) Expand exports and revenues from exports of Hawai'i produced goods and services; 2) Grow the number of Hawai'i companies active in global markets; and 3) Penetrate new markets for Hawai'i produced goods and services. During the nine years that this program has been in operation, the division has been **awarded over \$5 million in grant monies which resulted in a total of \$103 million in export sales, supported 926 jobs, and generated \$7 million in tax revenues.**

In 2021, the COVID-19 pandemic continued to impact many of the HiSTEP activities due to travel restrictions and cancellation of in-person trade shows. Companies accustomed to finding new export business by attending trade shows were left having to find other means of keeping up export sales. DBEDT encouraged companies to seek ways to have an online global presence through e-commerce and digital marketing. DBEDT also focused on continuing to increase companies' export readiness by offering monthly webinars on export-specific and market-specific topics.

To continue this export program into the next year, the division was once again awarded a competitive grant of \$637,000 from the U.S. Small Business Administration (SBA). In anticipation of the easing of travel restrictions and the ability to attend trade shows in person, the division's proposal included a series of overseas and domestic trade shows, export training and one-on-one business advising, and direct financial assistance to support companies' export development plans. The division will continue to monitor the pandemic landscape and revise the HiSTEP activities into 2022 as needed.

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

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

**Action Plan:** Tradeshow, missions and company assistance.

**Measure of success:** Increase in export sales; increase in number of Hawai'i companies exporting Hawai'i -made goods and services.

**Budget Impacts:** **Not having sufficient matching funds will affect our ability to obtain a \$800,000 grant from the SBA, which is an annually competitive grant that DBEDT must apply for, and seriously curtail the division's efforts to help Hawai'i companies begin or expand their export efforts.** As the effects of the pandemic continue to take its toll on our economy, Hawai'i companies are looking for ways to grow sales, and exporting is one way for them to achieve that. HiSTEP is more important than ever.

- **Made In Hawai'i:** Building on the initial success achieved with the portal site, "Buy Hawai'i, Give Aloha" (<https://buy.hawaii.gov>), BDSB is planning and activating the "Made In Hawai'i" program created by the State Legislature in June 2021. While several details about the definition, certification and enforcement of Hawai'i-made products must be reviewed and formalized by legislation in the 2022 Session, BDSB has enacted

an interim plan to continue building awareness of and encouraging purchase of “Made In Hawai‘i” products.

**Branding and promotion:** BDS D created an updated, interim logo (to be further defined and formalized); updated the website <https://invest.hawaii.gov/made-in-hawaii/> to list 260 registered businesses, along with 8 large online marketplaces that feature hundreds of vendors each; updated the Made in Hawai‘i video <https://f.io/FDZF0fdr>; planned a holiday campaign via social media and paid banner ads to drive consumers to the web site; participated in the Mana Up Virtual Showcase broadcast and Made in Maui County Festival live streaming.

**Made In Hawai‘i survey:** BDS D has developed a survey, <https://invest.hawaii.gov/made-in-hawaii-program-survey/>, to help us better understand manufacturers and to ascertain the component of “intellectual property” as it relates to product valuation. The survey has been distributed to our list of companies of over 7,000, and will be sent through BDS D partners: Pop Up Mākeke; Made In Maui County Festival; Kama‘aina First; Hawaiian Farmers Market; Made in Hawai‘i Festival; Shop Small Hawai‘i; Kaua‘i Made; Hawai‘i Food Manufacturers Association, and others.

**HiSTEP Program:** BDS D is also integrating the “Made in Hawai‘i” export development program offering support to registered companies who are ready to expand their sales abroad. BDS D will continue strengthening the website as a hub of information and resources for Hawai‘i manufacturers and retailers.

**One-year goal:** 400 companies registered and listed at the end of FY 2022.

**Five-year goal:** Business-to-Business (BtoB) e-commerce, increased online network of importers and overseas distributors.

**Action plan:** Promotion to target markets of local shoppers, visitors, U.S. continent, Japan and other overseas markets.

**Measure of success:** Increase in visitor traffic and sales by companies.

**Budget Impacts:** Funding is needed to keep the website live, as well as for active promotion to local, visitor, continent, and Japanese target audiences.

- **2021 Tokyo International Gift Show:** In October 2021, DBEDT participated in the 2021 Tokyo International Gift Show (TIGS) as part of the HiSTEP. However, the challenges of the global pandemic, including travel restrictions, limited the participation of Hawai‘i companies to those who were able to find representation through agents, importers or distributors in Japan. A total of 34 Hawai‘i companies were represented at the 2021 autumn show, and while sales data from the participants is still being collected, estimated export sales are \$800,000 to date. Pandemic restrictions not only affected the number of Hawai‘i companies that could participate but also the number of potential customers that attended the show. Show producers reported 170,246 buyers, wholesalers, distributors, brokers and retailers visited the 2021 TIGS, a decrease from previous year, thus also affecting potential business for Hawai‘i companies.

**One-Year goal:** 50 companies participating and reporting \$2 million in direct and mid-term export sales.

**Five-Year goal:** 70 companies reporting \$4 million in export sales.

**Action Plan:** Increase participation in collaboration with Hawai'i Tourism Japan and other partners.

**Measure of success:** Increase in export sales.

**Budget Impacts:** Any decrease in funding will limit the number of Hawai'i companies we will be able to assist to participate in the event.

- **2021 Hankyu Hawai'i Fair:** In July 2021, DBEDT once again participated in the Hankyu Hawai'i Fair in Osaka, Japan. Because of 2020's success, the 2021 Hawai'i Fair included both in-store shopping and activities and e-commerce shopping with virtual events. However, while in-person shopping at the Umeda Main Store was allowed by the Japanese government, company owners from Hawai'i were still not allowed to travel to Japan, so the overall event scale was limited when compared to 2019, before the COVID-19 pandemic.

There were 34 Hawai'i companies that were featured via online shopping and in-store. Compared to 2019, the event was one day shorter, and further burdened with social distancing restrictions, so store attendance was 48% of 2019 figures, or about 105,000 attendees. However, the Hawai'i Fair is always very popular, and Japanese shoppers have not been able to travel to Hawai'i, so the atmosphere was very lively and energetic. Total Fair sales results for both in-store and online shopping were over \$1.67 million, including apparel and gift items, and art originals and prints. This compares to 2019, the last year of continuous growth before the COVID pandemic. The 2019 Fair was all in-person and attracted over 220,000 customers over seven (7) days. Total sales achieved was \$2.1 million by 63 companies.

**One-Year goal:** to continue building momentum after the COVID-19 pandemic by achieving 40 vendor participants, topping \$2,000,000 in sales via e-commerce and in-store purchases.

**Five-Year goal:** 50 vendors topping \$2.5 million in sales.

**Action Plan:** Continuously improve manufacturers product offering, sales ability and leverage Made In Hawai'i brand in partnership with Hawai'i Tourism Japan and other partners.

**Measure of success:** Increased sales, improvement of individual companies exporting capabilities.

**Budget Impacts:** Funding is needed to support all BDSD programs – CBED, EZ, Made In Hawai'i, HiSTEP – to integrate with the Hankyu Hawai'i Fair program in order to support Hawai'i manufacturers to achieve success at the Fair and beyond in their export development.

- **Defense Industry:** In March 2021, DBEDT was awarded a \$1.1 million grant from the Department of Defense's (DoD) Office of Local Defense Community Cooperation to further promote resiliency, growth, and compliance within the local defense industrial

base. Subsequent to that award, DBEDT awarded two contracts to local vendors to pursue those initiatives. The period of performance for the grant is from April 2021 through September 2022.

In April 2021, DBEDT awarded a \$645,000 contract to the Chamber of Commerce to establish a Hawai'i Military Alliance which would be a collaboration between government, industry, educational institutions, and community resource partners. The Alliance has identified these key areas of focus:

- **Small Business Support:** Designed to increase opportunities for local small and medium sized businesses within the defense and federal marketplace.
- **Workforce Development:** Create programs designed to meet the workforce demands of both the local defense industrial base and the DoD.
- **Business Ecosystem Development:** Establish a network of national, regional, and local companies to promote the growth of local businesses in support of defense requirements.
- **Market Development and Resiliency:** Collaborate with local businesses and non-profits to increase market flexibility and economic resiliency in order to successfully withstand the ups and downs of defense related spending.
  - One-year goal:** Create a formal Hawai'i Defense Alliance comprised of representatives from all identified partners. Establish working groups to address the initiatives of the Alliance and an Executive Committee to oversee and guide the Alliance.
  - Five-year goal:** Through the efforts of the Alliance, increase the dollar amount and number of DoD contracts and sub-contracts that are awarded to local businesses. Establish career pathways for local workers/students to obtain high-paying jobs.
  - Measure of Success:** \$50 million dollar increase in defense related procurement to local businesses.
  - Budget Impacts:** The grant and subsequent contract is contingent upon State funding of the Defense Specialist position as salary and fringe benefits are utilized as the matching requirement of the grant award.

Also, in April of 2021, DBEDT awarded a \$345,500 contract to Referentia Systems Inc. to provide educational and technical cybersecurity assistance to local businesses to maintain compliance with DoD cybersecurity requirements. This contract will focus on:

- **Learning and Education:** Establish an on-line learning platform to educate local businesses about the cybersecurity requirements DoD mandates for all their contractors.
- **Technical Assistance:** Provide in-person assistance for up to 40 local businesses who require a more in-depth review of their information systems. For those companies who handle Controlled Unclassified Information, additional steps are required to ensure their information systems are secure and any vulnerabilities within the system are identified.

**One-year goal:** Improve the level of knowledge amongst the local defense industrial base regarding DoD cybersecurity requirements.

**Five-year goal:** Maintain an active cybersecurity compliance program to ensure local DoD contractors continue to meet the ever-changing requirements of DoD.

**Measure of Success:** No local businesses who complete the learning modules or receive technical assistance are identified as non-compliant with DoD cybersecurity requirements.

**Budget Impacts:** The grant and subsequent contract is contingent upon State funding of the Defense Specialist position as salary and fringe benefits are utilized as the matching requirement of the grant award.

As cybersecurity is vital not only to the defense sector but also to those businesses who perform, or wish to perform, on all federal contracts, DBEDT awarded a \$250,000 contract to CyberHawaii in June 2021. The intent of this contract is to:

- **Develop a corps of Cyber Leaders:** Through the collection of IT firms that comprise CyberHawaii, IT professionals will be trained and interned with local companies to educate local small businesses on cybersecurity hygiene and best practices. The goal is to educate and certify at least 12 IT professionals as Cyber Leaders and to assist up to 250 local businesses.

**One-year goal:** Establish a training program and certify 12 cyber leaders within the local community.

**Five-year goal:** Create a viable resource for local businesses to educate them on the importance of cybersecurity for both federal contractors and non-contractors.

**Measure of success:** Increase in the number of local small businesses who are aware of, and utilize, best practices related to cybersecurity.

**Budget Impacts:** Funding is needed to provide assistance to local small businesses who would otherwise be unable to perform reviews of their IT systems on their own.

- **International Affairs:** Hawai'i's continued prosperity is grounded in its ability to work with people from around the world and to communicate issues that are of great urgency and importance between cultures. Hawai'i is a bridge between people of all nations and DBEDT plays a critical role in forging relationships that will strengthen Hawai'i's role in trade, commerce, economic, defense, educational, creative, cultural, and energy and the environment in the years ahead. In 2021, Hawai'i received approval to enter into a sister-state relationship with Yamaguchi Prefecture and looks forward to the official signing in 2022. In 2021, the Madeira sister-state relationship was approved by the Hawai'i Sister-State Committee. DBEDT hopes to finalize that relationship in 2022. In 2022, DBEDT looks forward to increased international exchanges:

**One-Year goal:** Produce the Philippines- Hawai'i Sister States, Provinces and Cities Symposium and Expo. (The event, originally scheduled for 2021, was canceled due to COVID pandemic restrictions.)

**Two-Year goal:** Produce the Japan- Hawai'i Sister-State Convention.

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

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

**Measure of success:** Increase in trade and investment.

**Budget Impacts:** These summits/conferences bring in an audience from out-of-state and not only increase our visitor numbers, but showcase the State's ability to host these types of global events. The loss of these types of events due to budget restrictions affects our business tourism efforts.

- **International Student Attraction:** Based upon the report on the economic impact of international students in Hawai'i, 2020 calculations are as follows:
  - \$223.0 million in economic output generated, including direct, indirect, and induced effects
  - \$15.7 million in state taxes generated
  - \$97.3 million in household income generated
  - 3,011 jobs supported by international student spending

In 2021, Hawai'i's colleges and universities slowly reopened to international students via virtual webinars and meetings and by allowing for courses to be completed remotely.

The State of Hawai'i Offices in Beijing and Taipei continued their support of Hawai'i as a study destination. The Study Hawai'i Consortium and Hawai'i Education Service Centers in Beijing and Taipei maintained relationships with schools, students, and parents during the global pandemic.

**One-Year goal:** Keep connecting students and parents through Study Hawai'i Consortium and State of Hawai'i Oversea Offices.

**Five-Year goal:** Recapture students to study in Hawai'i.

**Action Plan:** Rejuvenation of Study Hawai'i organization, reattract students to come to Hawai'i for studying.

**Measure of success:** Increase in international students.

**Budget Impacts:** Cancellation of program and initiative.

- **Overseas Offices:** Due to the global pandemic, both overseas offices in Beijing and Taipei continued their work and support to DBEDT in their represented areas respectively. Both offices were responsible for business development programs designed to promote trade and investment, and sister-state relations between Hawai'i and Greater China. Offices were able to support Hawai'i Tourism Authority (HTA) while their representatives were absent during the reorganization, to maintain the brand image of Hawai'i for tourism industry in Asia.

**One-Year goal:** Organize 2 coffee marts to introduce Hawai'i coffee to the buyer from Shanghai and Kaohsiung. Establish the travel bubble agreement between Hawai'i and Taiwan.

**Five-Year goal:** Maintain the operation of overseas offices, refunction offices as

Education Services Center to attract more students to Hawai'i.

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

**Measure of success:** Increase export sales and increase in international students from Greater China.

**Budget Impacts:** Closure of both offices, will mean the Beijing office will lose the privilege as one of only 3 state offices that are legally approved by the Chinese central government and the opportunity to connect businesses and build relationships between Hawai'i and Greater China.

- **13<sup>th</sup> Festival of the Pacific Arts and Culture (FestPAC):** The Festival was supposed to be hosted by Hawai'i in June 2020. However, due to the global pandemic, the Festival was rescheduled to June 2024. The FestPAC Commission continues to hold virtual meetings on a monthly basis to carry on the planning for this event.

**One-Year goal:** Re-affirm commitment of all partner organizations and confirm venues for all activities; finalize fundraising plan and engage fundraiser.

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

**Action Plan:** Leverage partnerships with cultural and community organizations.

**Measure of success:** Selection of Hawai'i to host other similar events.

**Budget Impacts:** The State of Hawai'i is the official host of this event; therefore, funding for the event is a demonstration of the government's support.

- **Community Based Economic Development (CBED):** Through loans, grants and technical assistance the Community Based Economic Development (CBED) program provides training and capacity building opportunities to promote, support, and invest in community-based development projects that result in measurable economic impact. CBED offers small business loans ranging from \$25,000 to \$125,000, to eligible small businesses that support economic development in their communities. The CBED loan program supports a broad range of businesses focusing on agricultural producers and manufacturing businesses. Loans may be used for: start-up costs and working capital; construction or improvement of facilities; purchase of equipment; payment of production and marketing expenses including materials, labor and services. CBED currently has co-lending arrangements with the Hawai'i Dept. of Agriculture (HDOA), Feed the Hunger Foundation (FTHF), and the Hawai'i Community Reinvestment Corporation (HCRC) to execute and provide loan servicing on participation loans.

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

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

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

**Action Plan:** Using Federal funds increase the number of loans to Hawai'i



businesses.

**Measure of success:** 50 loans to fund businesses.

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

- **Enterprise Zones (EZ):** The EZ Partnership Program is a joint state-county effort intended to stimulate—via tax and other incentives—certain types of business activity, job preservation, and job creation in areas where they are most appropriate or most needed. At the end of 2020, the companies eligible to receive EZ benefits reported 1,095 new or maintained jobs statewide. There were 192 companies enrolled in the EZ Program at the end of 2020.

**One-Year goal:** 225 companies enrolled at the end of 2022.

**Five-Year goal:** 250 companies enrolled.

**Action Plan:** Market to agriculture and manufacturing related companies.

**Measure of success:** Increase in jobs created and maintained.

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

**FEDERAL FUNDS:** We do not anticipate any decrease of federal funds. However, DBEDT must compete annually for federal funding from the US Small Business Administration (SBA) for up to \$800,000. This program, called the Hawai'i State Trade Expansion Program or HiSTEP, is a comprehensive program involving training, trade shows, consumer shows, and direct company assistance. In 2019, the division was awarded \$511,000 and in 2020 it was awarded \$528,000 for the HiSTEP program to increase the number of Hawai'i small businesses that export, as well as to increase the dollar amount of exports from small businesses already involved in global markets. **Thus, it is very important to maintain funding to provide matching funds to apply for these grants.**

**Federal Award Title:** State Trade Expansion Program

**CFDA Number:** 59.061.

In September 2019, the division received a \$399,500 grant from the Department of Defense/Office of Economic Adjustment to update and enhance a defense economy website and perform a SWOT analysis focusing on the major state defense industry activities that are impacted by defense spending.

**Federal Award Title:** Hawai'i Defense Economy Project Phase II

**CFDA Number:** 12.617.

BDSD applied for and received in January 2021 an Economic Development Administration (EDA), U.S. Department of Commerce grant of \$1 million to the CBED Revolving Loan Fund with

a \$250,000 match from the State (DBEDT-CBED). This will allow an expansion of the CBED small business revolving loan program enabling the division to support community-based economic development projects in regions of the state where they are needed the most.

**Federal Award Title:** Economic Adjustment Assistance, Revolving Loan Fund

**CFDA Number:** 11.307

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

**BUDGET ADJUSTMENTS:**

- **\$500,000 General Funds for renovation expenses.** In 2022-2023, the entire 5th floor of DBEDT offices at the No. 1 Capitol Building will undergo major renovations—painting, flooring, reconfigurations of office spaces, ceiling replacement, air conditioning improvements, and overall construction work. Costs that the Department is responsible for that are not financed by DAGS include moving expenses prior to and after renovations; storage of files and furniture during construction; dismantling, replacement or refurbishment of almost 30-year-old partitions for which replacement parts are not available; rent for temporary offices off site primarily at the Convention Center; temporary tele-communications and IT hardware set-up; and kitchens, conference and restrooms renovations. Approximately 50 staff persons will be affected by the renovations and the project is expected to last one year.
- **\$160,000 General Funds for matching for federal funds.** Enabling funds for an \$800,000 grant from the SBA to continue supporting the Hawai'i State Trade Expansion Program, helping Hawai'i companies grow their business through the export of their products and services global markets.

**CREATIVE INDUSTRIES DIVISION – BED 105**

**MISSION:** Creative Industries Division (CID) is the state's lead agency focused on maintaining a vibrant film industry while developing a sustainable ecosystem for a thriving knowledge-based economy comprised of creative and technology cross sector collaboration.

Hawai'i's reputation as a hub for film, television and streaming production has hosted more series production in 2021 than any other year, anticipated to reach \$425 million in estimated production spend. Aligned with this focus for our State as a hub for content production is the maturing of the locally produced films and launch of content platforms, which are seeing a rise in licensing, distribution, and investment fund opportunities from outside of the state.

In compliment to the rise in production locally and location based, Hawai'i's arts, culture, music, media, film, and entertainment industries are intrinsic to our State's identity. CID develops initiatives which build export of capacity of intellectual property for creative entrepreneurs in three areas: 1) talent and workforce development initiatives; 2) cluster specific infrastructure development; and 3) access to remote work capacity and capital investment to expand export of

global creative content and intellectual property (IP).

**BUDGET REQUEST:** Restore funding of \$245,052 for three FTE positions that were unfunded in SLH 2021. These positions handle critical statutory duties for CID.

**CURRENT ECONOMIC AND FISCAL CONDITIONS:**

Operations, tax credit and workforce initiatives have been severely impacted due to position and funding cuts. The necessary hiring freeze due to the state’s fiscal condition put on hold all hiring, leaving the four permanent staff and two managers to take on statutory duties of film permitting, tax credit management, initiatives for sector specific growth. Act 88, SLH 2021, restored four positions; however, only two have been funded.

Currently, there are three positions whose duties are statutory in nature, with two unfunded. The program has funded temporarily the two positions with OCE, reducing marketing funds for film programs. Department approval to fill was signed in August 2021 and approved to fill FTE’s and DHRD is in process of posting for recruitment. As noted in the Governor’s supplemental budget request for BED105 – the three positions are Economic Development Specialist VI (SR26), Film Industry Development Specialist V (SR24) and Admin Officer (SR24).

Act 88, SLH 2021, funded two crucial positions: Business Development Manager EM05 (Branch Chief ACDB) and Accountant V (SR24). Both are filled with 89-day hires and are critical to rebuilding the division’s capacity deficit, an issue with managing statutory responsibilities. These, in addition to the three positions required, are crucial to maintain forward momentum, restoring balance to the operations.

Through the national lens, impacts on America’s Creative Economy are still lingering. In the Brookings Institute 2020 report, they cite Hawai’i as one of five states impacted more than the continental U.S., due to the high concentration of culture and arts businesses and activity:

*“The creative economy is one of the sectors most at risk from the COVID-19 crisis. Arts, culture, and creativity are one of three key sectors (along with science and technology as well as business and management) that drive regional economies. Any lasting damage to the creative sector will drastically undercut our culture, well-being, and quality of life. Hawai’i was disproportionately affected by the pandemic, along with New Mexico, Louisiana, Nevada, and Tennessee. This is due to the high concentration of creative sectors present in these regional economies.”*

**STATE OF HAWAI’I METRICS:**

The Research and Economic Analysis Division (READ), DBEDT, tracks the overall growth metrics, average wage and size of the creative economy comprised of Hawai’i’s arts, culture, music, media, film, design, fashion, and interactive media sectors.

In the [Targeted and Emerging Industries Report](#), 2019 showed the intersectional relationship between tourism and creative and cultural activities. In 2020, the thirteen creative industry

groups accounted for an estimated 51,871 jobs in 2020, about 6.5% of all civilian jobs in Hawai'i. Marketing, Photography & Related and Performing and Creative Arts were the two largest groups in the sector; together the two groups accounted for about 43% of jobs in the sector in 2020.

#### NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:

- **Hawai'i Film Office:**
  - **Staffing Capacity & Skill Sets: In 2021, Television, streaming and film** production in Hawai'i has seen its biggest year with a record estimated spend of \$425M statewide.
  - **Film Production:** Impacted by the pandemic, the estimated Film Production expenditures were \$225 million in 2020. Hawai'i is on target to reach an estimated \$425 million in production expenditures in 2021.
    - One-Year Goal:** Stabilize staffing with permanent hires for statutory duties of film tax credit and film permitting. Complete digital transformation through online tax credit filing system developed with NIC. Launch of the portal in FY22-Q3 will feature Production Registration Form (PRF) with Hawai'i Production Report (HPR) module in Spring FY22.
    - Five-Year Goal:** Resilient film and television production, Increased contributions to Act 228, SLH 2019 Hawai'i Film and Creative Industries Development Fund.
    - Action Plan:** Continue partnerships with private sector, foundations, federal support to mitigate fiscal impacts to program.
    - Measure of Success:** Maintain steady offshore production and increase infrastructure capacity of stages on all islands.
    - Budget Impacts:** Restore funding to three critical positions as noted in Governor's Supplemental budget FY23.
- **Entrepreneurial Ecosystem Development:** CID's Arts and Culture Development Branch (ACDB) handles business, infrastructure, access to capital (Act 228, SLH 2019) and workforce development including Creative Lab Hawai'i and related initiatives to build a thriving creative ecosystem.
  - One-Year Goal:** Continue expansion of collaborative initiatives, fund Act 228 SLH 2019, and launch initiative to provide seed capital for qualified Hawai'i creative entrepreneurs with projects under \$200,000.
  - Five-Year Goal:** Hawai'i has developed a self-sustaining ecosystem with vibrant economic impact, export of original works increased through global IP licensing.
  - Action Plan:** Build out infrastructure. Secure partnerships with New Zealand, Japan, and Korea for business-to-business remote work opportunities for Hawai'i residents in media, VR/AR, content creation.
  - Measure of Success:** Pipeline of business opportunities generated from industry relationships, private sector capital raise for Act 228 SLH 2019 nets \$1 million annually beginning FY23. Metrics of export of IP includes licensing and distribution of films, online series and music licensed, pipeline of jobs filled by residents in emerging industries.

**Budget Impacts:** Amend HRS 201-113 to allow transfer of rental income from CID/DBEDT managed facilities to provide sustainable resource of funds.

- **Creative Lab Hawai'i & Digital Transformation Initiatives:** The increased digital export of original content and music driven by the pandemic need to pivot to an online presence and has reached a record number despite the pandemic. This signals a significant opportunity to shift focus on digital transformation for Hawai'i creatives.

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

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

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

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

**Budget Impacts:** Program will seek funds from foundations, grants and contributions to the Act 228, SLH 2019, Hawai'i Film and Creative Industries Development Fund.

- **CreativeSpace Co-Working & Studio Entrepreneurs Sandbox:** CID, in partnership with Hawai'i Technology Development Corporation (HTDC), have launched the CreativeSpace studio and co-working space managed by Bizgenics at the Entrepreneurs Sandbox in Kakaako. This purpose-built stage is earning revenues, serving the local business and creative community, providing infrastructure necessary for the export of creative content globally.

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

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

**Action Plan:** Partner with KOCCA and regional accelerators. Create co-working hub networks between Hawai'i and Japan, Korea, and Mainland U.S.

**Measure of Success:** Increased revenues to local creatives.

**Budget Impacts:** Seeking Federal support via ARPA and U.S. Department of Commerce in partnership with EDAH.

- **Statewide CreativeSpace Initiative (CSI) Expand facilities for local creatives on neighbor islands.** Develop smaller creative spaces and training/certificate programs within Hawai'i State Library system, beginning with rural areas. (CSI) will deliver a community-based model for the growing number of digital creatives, creating a pipeline

of industry-ready talent who can work remotely and locally. Each space will feature the tools necessary to create content for business, media, music, and design/fashion.

**One-Year Goal:** Launch one neighbor island CreativeSpace Co-working and Studio in Q2 FY23 as a Creative Lab Hawai'i sister facility to ID8/CreativeSpace at Entrepreneurs Sandbox. Begin planning for Nanakuli Library Initiative for Micro CSI facility and programs.

**Five-Year Goal:** Generate income from CreativeSpace Initiative sites statewide, which are deposited into the Act 228, SLH 2019, HRS 201-113 fund to sustain/maintain facilities, seed fund content for export, continue training programs.

**Action Plan:** Finalize MOA between Hawai'i State Library System and CID/DBEDT and DHHL for the Nanakuli Library Micro CSI program. Issue RFP to engage contractor for technical build out. Launch creative skillset certification programs to be deployed across Oahu, neighbor island CS hubs and libraries. Identify benefactors and partnerships to install xR LED walls, software and engage industry expertise for training of workforce in new digital technologies. Finalize long-term capital strategy to include Legislative appropriations, foundation grants and benefactor contributions.

**Measure of Success:** Vibrant export of digital content, increased monetization for local creatives, artists, musicians, designers. Increased original content, programming from throughout Hawai'i for licensing to global markets, complete MOA with all neighbor island Public, Educational, and Governmental access organizations (PEGS), seek private sector donors to maintain the facilities.

**Budget Impacts:** Federal, public fund and private funding sources required, as well as user fee, rental fees generation from CS facilities. Requesting amendment to HRS 201-113, Act 228, SLH 2019, Hawai'i Film and Creative Industries Development Fund to deposit DBEDT managed facilities rental fees and expend for purposes of the fund.

**FEDERAL FUNDS:** Division is partnering with Economic Development Alliance of Hawai'i (EDAH) and other private sector partners to apply for a U.S. Department of Commerce Economic Development Administration Economic Adjustment Assistance (EAA) grant to augment expansion of digital export initiatives and facilities.

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

**BUDGET ADJUSTMENTS:**

- **\$245,052 General Funds for FY23 for personal services.** Restore funding of \$245,052 for three FTE positions that were unfunded in SLH 2021. These positions handle critical statutory duties for the Creative Industries Division. Position #120760 Economic Development Specialist VI is the lead position overseeing the tax credit programs for film and research tax credits (Section 235-17, HRS). Position #9009B Administrative Officer V is the lead position handling the Film and Creative Industries Development Special Fund (Act 228, SLH 2019), all grant writing, reporting for federal, foundation

funds to advance creative/tech infrastructure statewide, oversees fiscal operations including media, music and creative spaces development. Position #44000 Film Industry Specialist V is the lead position for all statewide film permits (Section 201-14, HRS), updating online system to improve efficiencies and reporting metrics, and updates all website information.

## **FOREIGN-TRADE ZONE DIVISION – BED 107**

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

**BUDGET REQUEST:** FTZ9 receives no general funds and is not requesting any adjustments to its Operational Budget. There is a \$400,000 CIP request to replace rain gutters and downspouts at the Pier 2 facility. See the section on [notable performance](#) for program milestones and measures.

### **CURRENT ECONOMIC AND FISCAL CONDITIONS:**

With the inauguration of a new federal administration, there was renewed hope in the international trade industry that many of the punitive trade tariffs implemented by the previous administration would be removed and the threat of an ongoing trade war would be diminished. Unfortunately, due to the ongoing pandemic and a reluctance to change the balance of international commerce, the trade remedies were not eliminated and continued pressure on the industry remained, leading to additional shipping, logistics, and transportation issues.

These pressures have resulted in the reduced flow of trade and supply shortages. Multiple container ships have had to be anchored offshore of major U.S. ports waiting to be unloaded as the ports are at capacity to unload and store containers. This has been exacerbated by a lack of available surface transport trucks to move containers to distribution centers or rail yards.

Unfortunately, the continued implementation of the trade remedies has also restricted Foreign-Trade Zone use nationwide. The governing rules do not allow for the inverted tariff benefit for manufacturing component parts normally allowed in FTZs under prevailing trade agreements. This has caused inflationary pressures and a lack of U.S. manufacturing competitiveness.

Additionally, newly implemented Withhold Release Orders (WRO) were placed on many items shipped nationwide. These WROs were especially harmful to Hawai'i as such items as photovoltaic panels and component solar energy systems faced not only a 25 percent import duty from China, but a potential WRO which prevented the items from being entered into U.S. commerce. These tariffs have reduced the available supply of solar panels and parts and has

caused the price of systems to escalate.

During the global COVID-19 pandemic and the ongoing disruption of the international trade environment, FTZ9 has been able to fully sustain operations and continue its initiative to expand the program. There was concern as to the longevity and potential financial impacts of the pandemic with the onset of the Delta variant and whether FTZ9 customers and tenants would begin to vacate offices and storage space due to declining economic conditions. Fortunately, because of Hawai'i's baseline need for imported products, FTZ9 saw only a minimal number of companies move out of the program. FTZ9 did, however, implement measures to help support client companies by removing payment penalties and allowing for flexibility in its leasing provisions.

FTZ9 also made a commitment to its clients and tenants to maintain its high level and quality of service, even while following state pandemic provisions and using a limited number of available staff (as a safety measure). In an effort to keep staff safe while ensuring clients of the FTZ9 received the exceptional service they have come to expect, the FTZ9 worked with the unions and the department to devise a plan which would allow staff to operate on a rotational schedule and provide full service while reducing the potential exposure to the virus. The implemented plan worked well which allowed the program to remain open and operational through the duration of the pandemic.

Because of this, FTZ9 has emerged from this difficult year in a good operational and financial position. The offices remain at a high level of occupancy and the warehouse has seen an increased volume of commodities being stored as companies are adjusting to supply chain shortages. FTZ9 has noted that its client companies are opting to import additional inventory now and distribute it as time goes by, lengthening their lead time for the next order to ensure sufficient product on hand.

#### **NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

- **Self-Sustaining Program:** The FTZ9 program services 369 companies statewide, providing revenues of over \$2.2 million annually, which wholly supports the program. During the last reporting year:
  - FTZ9 had over \$4.5 billion in cargo and merchandise that transited through Hawai'i's FTZs.
  - One hundred and two (102) different types of foreign merchandise were received into the FTZ9 from 23 countries.
  - Hawai'i's FTZs had a total of \$179 million in exports, ranking 19<sup>th</sup> in the nation for warehouse/distribution export activity according to the Foreign-Trade Zones Board Annual Report to Congress.
  - FTZ9 increased its overall value added for merchandise to nearly \$2.6 billion, of which \$2.3 billion was entered into U.S. commerce, and \$287 million was exported to foreign markets.
  - FTZ9 ranked 24<sup>th</sup> highest in the nation for merchandise received for production authority.



- Zone activity supports 360 companies and 3,100 jobs for Hawai'i, a 6.8% increase from the previous year.

**One-Year Goal:** Continue its excellent service and provide support to its clients. Enhance existing security systems and measures to harden port security as directed by Homeland Security.

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

**Action Plan:** Using on-line platforms to invite prominent national and international speakers with in-person sessions, FTZ9 will develop a seminar series designed to educate clients and potential clients in international commerce and how to participate by leveraging the FTZ program. FTZ9 will expand partnerships with the U.S. Commercial Services, U.S. Customs and Border Protection, Small Business Administration, Chambers of Commerce, and DBEDT sister agencies to develop and present these seminars.

**Measure of Success:** Expansion in the number of clients and jobs the program continues to support, as well as continued growth in the program's Special Fund financial position.

**Budget Impacts:** No anticipated impacts if the FTZ9 Special Fund balance is at least maintained at its current level.

- **Alternative Site Framework Zone (ASFZ):** FTZ9 is aggressively marketing the benefits of an FTZ and the ability to activate as an Alternative Site Framework Foreign-Trade Zone. The program has developed a plan to reach out companies most applicable to becoming an active Foreign-Trade Zone site. In 2021, FTZ9 submitted three (3) applications which are waiting Foreign-Trade Zone Board and Customs and Border Protection approval.

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

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

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

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

**Budget Impacts:** As more companies are activated as Foreign-Trade Zones, the program will realize additional revenues through annual fees and service income.

- **Expand the FTZ Energy Generation System.** The FTZ has been relying on its 300kW photovoltaic system since 2017 to help power its operations. Since the system was designed to provide only enough energy sufficient to augment daytime consumption, FTZ9 is working to enhance this system to extend its usability overnight.

**One-Year Goal:** Expand this system to reduce its dependence on the electric grid and shift toward renewable energy sources. Augment the existing system by installing additional panels and a battery system that will help to lower the FTZ’s operating and energy costs and provide a resource for energy resiliency in the event of a natural or other type of disaster.

**Five-Year Goal:** Hawai’i’s COOP plan sites FTZ as a location to intake, store, and distribute critical goods and materials in the event of an emergency and help in the State’s recovery effort. The addition of a battery system will create a microgrid which could provide electricity for the area if electric feeder lines are inoperable, or supply lines are cut. The battery system would allow FTZ9 and surrounding neighbors to operate 24/7 solely on renewable energy.

**Action Plan:** Seek federal funding or grant opportunities to underwrite the cost of the project.

**Measure of Success:** Receive funding to start the project with the final outcome being a robust system.

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

**FEDERAL FUNDS:** None.

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

**BUDGET ADJUSTMENTS:**

- **\$400,000 in CIP to repair and replace gutters and downspouts** on its Pier 2 facility. These needed repairs will help to ensure the facility remains properly maintained as well as mitigate any water damage caused by the current aging system.

**HAWAI’I TOURISM AUTHORITY – BED 113**

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

|                        |                                   |                     |
|------------------------|-----------------------------------|---------------------|
| <b>BUDGET REQUEST:</b> | Hawai’i Tourism Authority (GF)    | \$60,000,000        |
|                        | Hawai’i Convention Center (CCESF) | <u>\$28,500,000</u> |
|                        |                                   | \$88,500,000        |

**CAPITAL IMPROVEMENT PROGRAM (CIP) REQUEST:**

|                                |              |
|--------------------------------|--------------|
| Hawai'i Convention Center (GO) | \$64,000,000 |
| Rooftop Repair Project         |              |

**CURRENT ECONOMIC AND FISCAL CONDITIONS:** The visitor industry economy continues a slow recovery due in part to variants of the COVID-19 virus. Travel restrictions have prevented key international markets from traveling to Hawai'i, limiting the industry's ability to fully recover. The HTA continues to work closely with its partners and contractors to ensure that branding efforts continue to keep Hawai'i top-of-mind, especially in our key international markets.

Visitor arrival forecasts, according to DBEDT are anticipated to trend upward but are not expected to reach pre-pandemic levels anytime soon. For 2021, DBEDT predicted that arrivals would reach 6.8 million visitors and total visitor spending would end up at \$12.6 billion. For 2022, DBEDT predicts that arrivals will reach 8.8 million visitors with visitor spending estimated to be \$15.8 billion. In comparison, Hawai'i welcomed 10.4 million visitors and received \$17.8 billion in visitor spending in 2019. Transient Accommodations Tax (TAT) has slowly improved as we move through the pandemic. TAT revenues in FY 2021, the height of the pandemic, totaled \$209 million. In FY 2022, TAT is expected to reach \$434 million increasing to \$513 million in FY23, \$560 million in FY24 and \$595 million in FY25, according to forecasts from the Council on Revenues.

**COVID-19 Related Projects:**

In 2021, HTA supported numerous COVID-19 missions through the direction of Incident Commander Kenneth Hara and the Hawai'i Emergency Management Agency (HI-EMA). The primary goal of these missions was to assist in the prevention of COVID-19 spread throughout Hawai'i. They included the Visitor Aloha Society of Hawai'i Flight Assistance Program and a call center, operated by our contractor, HVCB, to assist travelers with Safe Travels-related questions and concerns. HTA has continued to be involved in weekly meetings with HI-EMA which includes federal, state, and county agencies. We continue our communications outreach efforts, updating the visitor industry and HTA's marketing team around the world on COVID-related restrictions and requirements.

**NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

Understanding the significance of tourism's role to the state as the largest single source of private capital for Hawai'i's economy, HTA's primary focus is to protect Hawai'i's iconic brand. We also see the relaunch of tourism as an opportunity to reshape the model for tourism. Our natural environment, host culture, and community are collectively Hawai'i's brand – they play a major role in the appeal of the destination to our guests, to whom our marketing efforts are focused. For this reason, HTA serves as the connecting point between tourism, the community, and other state departments. We are guided by our four pillars in everything that we do and are supported by research and data.

For HTA, 2022 will continue to focus on recovery and rebuilding tourism in Hawai'i which will

help our residents return to work, reduce the unemployment rate, and increase total visitor spending. The recently completed six Destination Management Action Plans serve as our roadmaps and will continue to play an important role in improving resident sentiment towards the visitor industry. We have developed and intend to deliver our branding strategy that incorporates our President & CEO's vision and philosophy of Mālama Ku'u Home to our markets. Our focus and efforts will be to attract mindful travelers with the goal of making a positive impact by leaving Hawai'i, our home, better than when they arrived. Hotels, industry partners and organizations across the state continue to be supportive of these efforts are strongly encouraging participation in voluntourism projects, in the spirit of helping to care for or "mālama" our precious resources.

- **Destination Management Action Plans (DMAPs):** HTA launched a community-based tourism program in 2020, collaborating with the counties and state agencies, visitor industry, island visitor bureaus, and members of the public, to create the 3-year DMAPs to recover and rebuild tourism. The HTA Board of Directors approved all six DMAPs and the DMAPs were released to the public in February (Kaua'i), March (Maui Nui), April (Hawai'i Island), and August (O'ahu).

**One-Year Goal:** HTA will continue its work to implement DMAPs' actions based on each DMAP's timeline. Efforts include collaborating with other state departments, the counties, lawmakers, the visitor industry, and the community.

**Five-Year Goal:** Over the next five years, HTA plans to continue efforts to rebuild tourism in a sustainable and regenerative manner.

**Action Plan:**

- HTA plans to work with the island visitor bureaus, counties, and other state agencies towards carrying out actions that are laid out in the DMAPs for each island.
- HTA plans to increase its attention to improving and mitigating hotspot sites as identified in the DMAPs.
- HTA plans to encourage and support responsible tourism by increasing the number of training sessions provided for the community and industry stakeholders.
- HTA will continue to reach out to lawmakers and community groups to see how it can help with efforts to minimize the economic, environmental, and social impacts of tourism.

**Measure of Success:** Milestones and measures will be based on the number of actions completed and the number of hotspot issues addressed.

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

- **Aloha 'Āina Program to perpetuate the Hawaiian Culture:** In 2021, the HTA engaged and collaborated with the Hawai'i Community Foundation (HCF) to support the

implementation and administration of the Aloha 'Āina program for CY2022. Due to the pandemic and the timing of the award cycle for Aloha 'Āina no projects were awarded funding for the CY21 cycle. However, through this collaborative effort with HCF, we were able to resume the Aloha 'Āina program for CY22 projects. The projects supported by this program work to protect, enhance and maintain Hawai'i's unique and fragile environment. We know that one of the primary drivers of a visitor's reason for choosing to come to Hawai'i is its "natural beauty." Pandemic restrictions, such as physical and social distancing, continue to have a limited impact on applicants' ability to fully expand their respective programs. It is important to note that, while there are limitations and restrictions, many of the supported programs have been resilient and innovative in their approach to working through these challenges.

**One-Year Goal:** HTA aims to resume support for projects that protect, enhance and maintain Hawai'i's unique and fragile environment. These projects lay the foundation of a thriving natural environment and we recognize the importance to our way of life and the attractiveness of the Hawaiian Islands as a visitor destination. Projects supported by the program aim to:

- Raise awareness of all stakeholders and support educational opportunities focused on the responsible use of natural resources.
- Encourage and support sustainable and responsible tourism.
- Engage and encourage active natural and cultural resource management strategies in areas frequented by visitors.
- Promote visitor industry alignment with the Aloha+ Challenge, Hawai'i's recognized model to achieve the United Nations Sustainable Development Goals, especially for energy and water.
- Increase efforts toward natural resource preservation, restoration, and management.
- Increase opportunities for natural resource education.
- Provide opportunities for continued mitigation efforts.
- Enhance Existing Project – demonstrates enhancement and/or innovation of existing project
- Community Support and Involvement – evidence of partnerships with outside organizations and visitor industry partners. Project has broad based community support and is in line with community value and community resources.

**Five-Year Goal:** Over the next five years, HTA will continue to expand support for these programs to help enhance and protect our natural resources.

**Action Plan:**

- HTA will work closely with community organizations and other experts to ensure that projects and activities appropriately align with the intent to protect and enhance our natural resources.
- HTA will further enhance and improve its ability to support projects and programs through collaborative partnerships.
- HTA will monitor and report on the progress of the efforts that have been supported and funded to confirm and affirm the success of these efforts.

- HTA will search for and support opportunities to connect funded programs with the Destination Management Action Plans' actions and sub-actions as part of the ongoing implementation phase where possible.

**Measure of Success:** HTA will track results through its various key performance indicators that are unique to each project funded as well as some larger program key performance indicators. HTA also measures and evaluates success of projects under the program through site visits, contract evaluations at the close of each project.

**Budget Impacts:** HTA requires funding to continue supporting efforts to preserve and protect our natural resources, which is tied to Hawai'i's branding.

- **Kūkulu Ola Program to perpetuate the Hawaiian Culture:** In 2021, the HTA engaged and collaborated with the Hawai'i Community Foundation (HCF) to support the implementation and administration of the Kūkulu Ola program for CY2022. Due to the pandemic and the timing of the award cycle for Kūkulu Ola no projects were awarded funding for the CY21 cycle. However, through this collaborative effort with HCF, we were able to resume the Kūkulu Ola program for CY22 projects. As of 12/14/21 we have made awards to support 35 awardees. The programs address various needs and work to perpetuate the Hawaiian culture. We know that Hawai'i is seen as unique among other destinations precisely because of these cultural practitioners and Hawaiian culture more generally. Pandemic restrictions, such as physical and social distancing, continue to have a limited impact on applicants' ability to fully expand their respective programs. It is important to note that, while there are limitations and restrictions, many of the supported programs have been resilient and innovative in their approach to working through these challenges.

**One-Year Goal:** HTA aims to resume support for projects that benefit the Hawaiian culture and community. These projects lay the foundation of a thriving community of cultural practitioners. Projects supported by the program aim to:

- Preserve significant cultural practice(s), resource(s) or asset(s).
- Increase the number of cultural practitioners.
- Increase the skill level or proficiency in cultural practices.
- Provide opportunities for continued practice.
- Demonstrate the project's long-term value and impact to the cultural resource being preserved or perpetuated, as well as its impact to the Hawaiian culture and community.
- Offer an innovative or enhanced approach toward Hawaiian culture preservation through opportunities that demonstrate a positive impact on Hawai'i's visitor industry future.

**Five-Year Goal:** Over the next five years, HTA will continue to expand support for Hawaiian programs and cultural practitioners, craftsmen, musicians, linguists, and other artists to help preserve and perpetuate the Hawaiian culture. We understand how integral Hawaiian culture is to the brand of Hawai'i and support for these programs will be critical to protecting our brand.

**Action Plan:**

- HTA will work closely with Native Hawaiian cultural practitioners and other experts to ensure that projects and activities appropriately align with the intent to preserve and perpetuate the Hawaiian culture and language.
- HTA will further enhance and improve its ability to support projects and programs through collaborative partnerships.
- HTA will monitor and report on the progress of the efforts that have been supported and funded to confirm and affirm the success of these efforts.
- HTA will adjust its strategies to align with and support the accurate and authentic representation of the Hawaiian culture by incorporating input and feedback from our Kūkulu Ola programs.
- HTA will search for and support opportunities to connect funded programs with the Destination Management Action Plans' actions and sub-actions as part of the ongoing implementation phase where possible.

**Measure of Success:** HTA will track results through its various key performance indicators that are unique to each project funded as well as some larger program key performance indicators. HTA also measures and evaluates success of projects under the program through site visits, contract evaluations at the close of each project.

**Budget Impacts:** HTA requires funding to continue supporting efforts to perpetuate the Hawaiian culture, which is tied to Hawai'i's branding. The host culture is what helps set Hawai'i apart from other tropical visitor destinations. Kama'āina are vital to the quality of the visitor experience.

- **Branding:** HTA contracts organizations to brand Hawai'i around the world to educate visitors about Hawai'i's value proposition, what makes it unique as a destination and most importantly, share with them their kuleana when they visit the state. In recent years, HTA had identified nine source markets in which to focus our efforts. However, due to the pandemic and other factors we have reduced that number to just six for CY22. The markets we have suspended in 2020-2021 included China, Taiwan, Southeast Asia, and Europe. HTA's coverage in 2021 was primarily focused on branding within the U.S. East and West markets. We also continued to support, at significantly reduced amounts, branding efforts in Canada, Japan, Oceania, and Korea. This messaging was focused on communicating Safe Travels and long-term brand messaging to keep Hawai'i relevant and top of mind for future travelers once conditions improved. In 2022, we are reinforcing our support for our key markets including the United States, Japan, Canada, China, Oceania, and Korea. HTA's branding efforts are designed to incorporate our message of mālama and are built on the concept of Mālama Ku'u Home (Caring for my Beloved Home). Our branding strategies are built on this foundation and are supported by the four integral pillars of natural resources, Hawaiian culture, community, and branding. Hawai'i's brand consists of these pillars and the values that support them. It is critical that we continue to strengthen, support, and build upon these values to ensure a healthy, vibrant, and sustainable economic future that benefits our residents through the support of our visitor industry. HTA's branding efforts are focused on

working with contractors in markets who share our commitment to our message of mālama, are supportive of our direction and branding strategies, and are focused on attracting high-value visitors while staying true to Hawai'i's brand. Under the direction of John De Fries, HTA's president and CEO, the branding teams have adopted his "mālama mindset" and vision for a sustainable future for Hawai'i.

**One-Year Goal:** HTA will continue to focus on branding strategies that incorporate our message of mālama and are built on the concept of Mālama Ku'u Home. We will design our strategies to attract mindful, respectful and high-value visitors. We will refine our efforts to attract visitors that are aligned with our values and our strategic plan. The Mālama Hawai'i program encourages visitors to responsibly participate in unique experiences that give back to Hawai'i.

**Five-Year Goal:** Over the next five years, HTA will expand its focus on markets and visitors that are mindful, respectful, high-spending, and relatively low impact on our communities. HTA will also continue its efforts to educate visitors on cultural etiquette, appropriate behaviors, and guidance that will assist them to be respectful and mindful while they are here in our home.

**Action Plan:**

- HTA will work closely with our partners to ensure that Hawai'i's brand messaging reflects an authentic, respectful, and appropriate approach that focuses on Hawai'i as a unique and special place to visit.
- HTA will develop and launch branding messages that align with our strategic plan, destination management action plans (DMAPs), and our Mālama Ku'u Home values.
- HTA will work with our branding partners to ensure that branding messages are targeted towards mindful, respectful and high-value visitors.
- HTA will continue to monitor and evaluate branding messages to ensure they are effective and make appropriate adjustments as warranted by our research.
- HTA will work with our branding partners to ensure that their respective markets receive the proper education and awareness training in order to best understand Hawai'i as a destination.

**Measure of Success:** HTA will measure success of its branding strategies through our primary measures found in our strategic plan. These include: resident sentiment; visitor satisfaction; per-person-per-day spend; and, total spend. In addition, we will utilize key performance indicators (KPI) incorporated into each branding partners contract and brand marketing and management plan (BMMP) to ensure they are meeting the expectations set forth in those respective plans.

**Budget Impacts:** Hawai'i's brand requires sufficient funding to ensure that it remains protected and relevant. Without sufficient funding, the brand will be inevitably degraded and be supplanted by industry-led efforts that are not aligned with our cultural values. If the budget is cut, the State of Hawai'i will no longer be able to properly brand the Hawaiian Islands at a level that will prevent



brand degradation in our core markets around the world.

- **Community:** Support for community projects, events and programs that are directly and indirectly related to tourism is critical if we are to stay true to our commitment to improve the lives of our residents. By supporting community-focused projects and programs, resident sentiment towards the visitor industry will inevitably be positively impacted. Community-focused projects and programs also bring residents and visitors together in a participative and collaborative way further connecting our communities throughout Hawai'i with visitors. The COVID-19 pandemic continues to be a concern as we move forward with our support of community projects, events, and programs. Precautions and safety protocols are necessary to prevent and limit the spread of COVID-19. In past non-pandemic years, HTA has funded, on average, 90 projects through its community enrichment program every year. As part of our community support, HTA plans to continue supporting education and prevention programs to improve safety among visitors and residents, to maintain Hawai'i's reputation as a safe destination

**One-Year Goal:** HTA will work to further enhance and support community-focused projects, events, and programs that support our residents while also serving as a bridge to connecting our communities with our visitors. We will work closely with our partners to ensure that funding and resources are utilized in a way that improves the lives of our residents.

**Five-Year Goal:** Over the next five years, HTA will continue to work towards supporting community-based non-profits to implement and enhance projects that are unique to their communities. By doing so we make investments into the kinds of experiences and activities residents and visitors can see and do while in Hawai'i. This makes up a major part of our visitor product.

**Action Plan:**

- HTA plans to continue increasing the number of capacity-building training sessions provided for funded programs and management.
- HTA will further enhance and improve its ability to support projects and programs through collaborative partnerships.
- HTA will monitor and report on the progress of the efforts that have been supported and funded to confirm and affirm the success of these efforts.
- HTA will adjust its strategies to align with and support the initiatives identified by the community.
- HTA will search for and support opportunities to connect funded programs with the Destination Management Action Plans' actions and sub-actions as part of the ongoing implementation phase where possible.

**Measure of Success:** HTA will track results through its various key performance indicators that are unique to each project funded as well as some larger program key performance indicators. HTA also measures and evaluates the success of projects under the program through site visits, contract evaluations at the close of each project.

**Budget Impacts:** Depending on the level of funding, the HTA will have to adjust

its support for community projects, events, and programs which will ultimately impact our ability to improve the lives of our residents and restrict our ability to improve resident sentiment towards the visitor industry.

- **Research:** In the last legislative session, HTA’s research team and associated funding were shifted to DBEDT’s Research & Economic Analysis Division (READ). HTA will work closely with DBEDT-READ to support our ongoing need for specific datasets and data collection tools necessary to successfully complete our mission.

**FEDERAL FUNDS:** We anticipate a decrease of Federal Funds. In Act 1, Special Session 2021, HTA received \$60 million in American Rescue Plan Act (ARPA) funds to support its operations in FY22. There was no appropriation of ARPA funds for FY23. A request for General Funds was included as part of the FY23 supplemental request.

Act 88, SLH 2021, appropriated \$11 million in ARPA funds to support the Hawai’i Convention Center for FY22 and FY23.

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

**BUDGET ADJUSTMENT:**

- **\$60,000,000 General Funds for FY23 to support HTA operations.** The Fiscal Year 2022 budget for the HTA was provided through Act 1; however, unlike past years, a budget dollar amount was not provided for in the biennium budget for the subsequent fiscal year, Fiscal Year 2023. In order to successfully meet carry out our mission, goals, and objectives, as described in HRS 201-B, a General Fund appropriation is being requested.
- **Position count 1 Permanent and 24 Temporary FTE and switch from ARPA to GF.** Additionally, there was an increase in FTE for the HTA’s operational request through General Funds (GF) as part of the shift from ARPA to GF. Under ARPA, the HTA’s operations had 1.00 (P) and 22.25 (T) FTEs. As part of the shift to GF, the HTA’s operations reflects 1.00 (P) and 23.20 (T) FTEs with .80 FTE as part of the CCESF request. Total FTEs for the HTA is 1.00 (P) and 24.00 (T).
- **\$11,000,000 reduction in ARPA position of 1.75 FTE and funds for the operation of the Convention Center.** Providing the requested ceiling as part of the Convention Center Enterprise Special Fund (CCESF), the FY2023 appropriation of ARPA funds would no longer be necessary. In addition, the reduction identified were due to the transfer from ARPA to CCESF. There was a reduction in 1.75 FTEs from ARPA funds and an increase of .80 FTE as part of the CCESF.
- **\$28,500,000 special fund ceiling for the operation of the Convention Center.** In order to expend funds from the Convention Center Enterprise Special Fund, an appropriation ceiling (limit) is required. This appropriation ceiling will allow the Convention Center to fund its operations and maintenance needs for FY2023.
- **\$64,000,000 CIP GO Bonds for the Convention Center Rooftop Terrace Deck.** The Hawai’i Convention Center’s rooftop terrace deck is in need of replacement due to

water intrusion and a failure of the waterproof membrane in numerous locations. Water intrusion has caused rusting and damage to various structural components of the terrace deck. This project is necessary to eliminate the risk associated with this water intrusion particularly as it relates to the structural integrity of the rooftop terrace deck. This capital improvement project is essential to ensuring the safety of center users and staff as well as to ensure that the center remains a first-class facility capable of attracting business visitors to Hawai'i.

## **HAWAI'I STATE ENERGY OFFICE - BED120**

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

**BUDGET REQUEST:** FY23 supplemental budget requests address HSEO's top priorities as the critical path to a resilient clean energy economy while recognizing the critical need to continue supporting the State's economic recovery. HSEO staffing has been cut significantly from 33 positions in FY19 to 22 positions in FY22— about a 30% reduction. To enable HSEO to fulfill its mission on behalf of residents, HSEO respectfully requests the following:

- HSEO created and filled four temporary positions to help it carry out critical mandated activities and programs. The positions are currently 100% federally funded. HSEO is requesting general funds to retain the expertise of incumbents and provide continuity for their duties and responsibilities beginning in FY23. If budgeted in FY23, the incumbents could remain in their federally funded positions for six months, then transfer into general funded positions for the remaining six months of the fiscal year.
- Fund two existing unfunded positions and four new positions to rebuild capacity in support of HSEO's critical priorities.
- Establish HSEO's expenditure ceiling for the Energy Security Special Fund (ESSF) for the purpose of providing local matching funds to qualify for federal grants; to address gaps in the office's programmatic needs, including emergency response for energy; and to fulfill its obligation of transferring central service expenses and departmental administrative expenses to the general fund.
- Establish an expenditure ceiling for the Volkswagen Environmental Mitigation Trust agreement to implement Eligible Mitigation Actions.
- Funds to create an online "data lake" to serve as a single source repository for energy-related data, and other data that have been identified as the necessary raw material to fuel a data-driven approach to analyzing, formulating, and recommending policies and

plans to achieve the State's energy goals. The data lake will provide users with self-service functionality to improve accessibility to energy data sets. This allows new and existing users to identify and seize new opportunities with greater confidence and incubates economic development in the energy and related sectors.

These requests are further detailed below, and performance measures and outcomes are discussed in the notable performance section.

**CURRENT ECONOMIC AND FISCAL CONDITIONS:** The COVID-19 pandemic continues to impact Hawai'i's economy and HSEO's ability to perform its mandated duties as outlined above. Reduced state revenues resulted in significant cuts to HSEO's FY22 budget including positions and program funds.

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

The fiscal challenges facing HSEO because of the restrictions on general funds follow major changes to HSEO's structure and operation mandated by the Legislature in 2019, which involved shifting the Office's personnel and operating expenses primarily to general funds and removing the ESSF expenditure ceiling.

Previously, HSEO could use the ESSF to respond to sudden and emergency energy market disruptions that can have long-lasting financial, economic, and environmental impacts. Examples of such events that have occurred recently include the closure of one of the state's two refineries, potential adjustments in fuel supply and fueling systems related to the Red Hill bulk fuel storage facility, and post-event assessments on improving resiliency such as the power outages from the flooding caused by the Kona Low in early December 2021. Restoring access to ESSF would provide HSEO with the needed flexibility to respond appropriately to any critical energy situation to support the life, health, and well-being of residents.

[Act 9, SLH 2020](#), further reduced HSEO's FY20 General Fund appropriation with a permanent reduction of \$212,812 for personnel, leaving three positions unfunded in FY21. The reduction in funds, and ensuing programmatic and staff reductions, have made it difficult to fulfill HSEO's mandated mission at a time when COVID-19 has directly and negatively impacted development of the renewable energy projects that are needed to achieve 100% renewable energy in Hawai'i.

Despite the situation, HSEO staff continues to support the transition to clean energy through innovative approaches and active engagement to facilitate new renewable energy development throughout the state. For example:

- HSEO administers the Powering Past Coal Task Force, which has led to faster reviews of State and County permits and land approvals required for the projects needed to displace Oahu’s only coal plant by September 2022. Staff repurposed limited federal funds to prioritize support for the task force and coal plant retirement.
- HSEO provided written comments and verbal testimony in support of renewable energy projects while ensuring decision-makers had the energy-related information to make informed decisions.
- HSEO led Governor Ige’s efforts to formally ask the Secretary of the U.S. Department of Commerce to reject petitions that would have increased the cost of solar panels and other renewable energy components by 50%-200%; the petitions were ultimately denied.
- HSEO coordinated interagency meetings and provided written and verbal testimony on recent Honolulu City Council legislation to clarify the property tax assessment method for renewable energy projects on O’ahu, which resulted in a short-term solution supported by the industry and City and County of Honolulu Administration.
- HSEO facilitated the COVID-19 travel reviews for individuals traveling on behalf of companies currently building renewable energy projects in Hawai’i.

The [2020 U.S. Energy and Employment Report](#) forecasts continued growth in energy-related jobs, with the National Solar Jobs Census 2020 estimating that the 3,353 solar jobs in Hawai’i in 2021 will grow to 5,261 solar jobs statewide by 2025. HSEO estimates 4,387 total jobs will be associated with the utility-scale renewable energy projects now being developed in Hawai’i. HSEO discussions with renewable energy developers have identified the job demand for these projects and the qualifications needed for those jobs. As part of its workforce development efforts, HSEO is partnering with the UH Community Colleges to continue and expand energy-related job training, certification, and licensing.

At the same time, the Infrastructure Investment and Jobs Act (IIJA) is one of the largest stimulus appropriations in US history and specifically intended to promote renewable energy development and decarbonization throughout the economy. States will be aggressively competing for federal grants made through the IIJA, which typically require states to contribute matching funds in varying amounts to receive federal funds. HSEO hopes to access ESSF funds to successfully compete for the billions of dollars in grant money that will be available to support the state’s transition to a clean, decarbonized economy no later than 2045 and simultaneously stimulating the post-pandemic economy.

**NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

- **Energy Assurance and Resilience:** HSEO’s top priority is to ensure the continued availability and delivery of reliable energy, both fuels and electricity, to support economic recovery and meet the demands throughout the state.

HSEO’s State Emergency Response Team (SERT) is led by two dedicated staff members, one of which is a temporary federally funded position, and is supported by additional

HSEO staff serving as core team members, with all other HSEO staff receiving cross-training on support functions and roles for the core team members. Even with these measures in place, HSEO's ability to fully resource its SERT during long-duration events such as the ongoing COVID-19 pandemic, hurricanes, or volcanic activity has been strained due to recent staff attrition and hiring freezes. HSEO anticipates continued strain on SERT staffing in the future as impacts from emerging threats in cybersecurity, and hazards, such as major storm events, heat waves, sea level rise, and inland flooding increase in frequency and severity exacerbated by climate change.

Actions undertaken by HSEO to support energy assurance and resilience include:

- **Energy Common Operating Picture:** The ongoing development of an energy system common operating picture (COP)—situational awareness supporting all levels of emergency incident management, homeland security, and across jurisdictions. A COP is essential to HSEO's role as the Primary and Coordinating agency under HI-EMA for State Emergency Support Function 12: Energy (SESF-12) to plan and prepare for and respond and recover from all significant energy disruptions and incidents through its SERT.
- **State Emergency Response Team: Energy:** Staffing the HSEO SERT to provide technical expertise and support to energy asset owners and operators, as well as state and local government agencies, to aid in overcoming challenges associated with the repair and restoration of the energy system.
  - The SERT develops, maintains, and disseminates information and situational awareness products on the status of energy repair and restoration efforts and other information as appropriate.
- **FEMA Grant Implementation:** HSEO has pursued federal funding under the Federal Emergency Management Agency (FEMA) Hazard Mitigation Grant Program to increase the resilience of Hawai'i's energy eco-system. Working with Hawai'i's Emergency Management Agency (HI-EMA), HSEO secured a \$600,000 Advance Assistance grant to assess the energy supply chain and the interdependencies of Community Lifelines—FEMA defined customers that provide essential services in response to, and recovery from, all hazards events such as first responders, hospitals, water, and wastewater. HSEO has also partnered with Hawaiian Electric to apply under FEMA's annual Building Resilient Infrastructure and Communities program for Critical Customer Hubs (CCH). CCH are microgrids that service multiple Community Lifeline facilities to support local communities in the response to, and recovery from, all hazards events.
- **Energy Assurance in PUC Dockets:** Representing the State's interest in energy assurance and resilience, HSEO participated in dockets 2020-0090 Hawaiian Electric's *Application For Approval Of A First Amendment To Petroleum Fuel Supply Contract With Par Hawai'i Refining, Lc, Etc.*; and 2020-0158 Hawai'i Gas' *Application For Approval Of Petroleum Feedstock Agreement With Par Hawai'i Refining, LLC, And*

*To Include Costs In The Fuel Adjustment Clause Of The Gas Company, LLC Db* *Hawai'i Gas.* to assess the impact of the contracts to energy security in Hawai'i. The contracts were a consequence of the collapse in jet travel in 2020, and associated jet fuel demand, which clearly demonstrated that commercial aviation's demand for jet fuel subsidizes fuel and electricity prices across Hawai'i's economy. An outcome of the docket was recognition that a COP of fuel supply and demand statewide is necessary to fully understand the implications to energy security and the capability of existing infrastructure and market participants to completely import all finished fossil fuel products to Hawai'i in the event of the remaining refinery were to shut down. HSEO is also participating in Docket 2021-0098 *Joint Application For Approval Of The Transfer Of Upstream Membership Interests And Related Matters* concerning the transfer of ownership of Hawai'i Gas to Argo to represent Hawai'i's energy assurance and decarbonization policies.

**One-Year goal:** Contract for services to develop training exercise workshops for SESF-12/SERT; identify and obtain funding for a second position to support energy assurance operations and training; pursue and administer BRIC, Hazard Mitigation and Homeland Security grants, Emergency Management and Cybersecurity technical assistance, and IJJA resilience funding opportunities. Represent the State's energy assurance policies in relevant dockets to develop a complete record in support of the Hawai'i Public Utilities Commission (HPUC).

**Five-Year goal:** All HSEO staff cross trained in SERT roles and responsibilities and government continuity of operations to ensure SERT capacity and effectiveness. A portfolio of energy resilience projects coordinated with relevant state agencies and energy stakeholders is developed for annual federal funding opportunities including BRIC.

**Action Plan:**

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

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

**Budget impacts:** The conversion of an unbudgeted Energy Assurance Specialist is requested to support the State’s responsibilities for emergency response, energy assurance planning, and facilitation and coordination of federal funding for resilience investments. The addition of a Regulatory Assistant position is requested to support the regulatory and legal processes and filings engaged in by the HSEO, including rule drafting and revision; docketed matters; relevant Federal, State, and County laws and regulations; and proper review, documentation, formatting, and filing policies in regulatory proceedings; and the coordination of HSEO's positions across these various proceedings.

- **Renewable Energy Deployment:** HSEO supports the successful establishment of renewable energy projects that will replace the existing coal plant and limit negative impacts on communities while advancing the State’s decarbonized economy goals. The scheduled replacement of 180 megawatts of capacity from coal on Oahu’s grid is a substantial undertaking; grid reliability and power affordability will be dependent on the successful and timely deployment and operation of several solar and battery storage projects over the next two years. Toward this end, HSEO is supporting the deployment of 16 solar-plus-battery-storage projects and three standalone battery storage projects on O’ahu, Maui, and Hawai’i Island.

Actions undertaken by HSEO to support renewable energy deployment include:

- **Powering Past Coal Task Force:** On March 30, 2021, Governor Ige established the Powering Past Coal Task Force (PPCTF), through [Executive Order 21-01](#) to “convene stakeholders to increase transparency, coordination, collaboration, and urgency to timely facilitate, coordinate, and align project development and reviews by Hawaiian Electric, state, and county agencies for those measures anticipated to provide electricity for O’ahu to replace the coal plant’s electricity...” The PPCTF is chaired by the Chief Energy Officer and consists of members from the City and County of Honolulu, the Mayor’s Office, state agencies, state Legislators, Hawaiian Electric, non-government organizations interested in environmental protection and community engagement, and renewable energy developers. Information is provided by HSEO on its [PPCTF webpage](#). The PPCTF is not a policy or decision-making body and seeks only to improve coordination in the review of the projects and programs intended to replace the coal plant. Hawaiian Electric has stated that “The Companies have benefitted from participation in the Powering Past Coal Task Force, where the utility, developers, state and county permitting agencies, and community leaders regularly communicate and collaborate on projects under development and are open to the establishment of a similar forum to discuss issues related to the retirement of [Kahului Power Plant] KPP.” Expanding the work of the PPCTF to other islands has been requested by Hawaiian Electric and renewable energy developers.
- **West Kua’i Energy Project:** HSEO is a participant in PUC Docket No. 2020-0218,



*Application For Approval Of Power Purchase Agreement With AED West Kaua'i Energy Project, Llc And To Include Costs In Kaua'i Island Utility Cooperative's Energy Rate Adjustment Clause, And Other Matters Related To The West Kaua'i Energy Project* that includes two hydropower electric generation facilities, a pumping station, a photovoltaic array and battery energy storage system, the use of Kōke'e Ditch, and the use of three reservoirs (Pu'u Lua, Pu'u 'Ōpae, and Mana Reservoirs). The project's annual energy production of 110 gigawatt-hours is expected to increase KIUC's renewable portfolio standard from 58% to 79% in 2030.

- **Hawai'i Renewable Energy Projects Directory:** HSEO has upgraded and will continue to upgrade its lauded Hawai'i Energy Projects Directory, the only state-controlled source of information on the status of large energy projects that contribute to Hawai'i's renewable energy mandate. In FY21, HSEO transitioned the Directory to a data-based geographic information systems (GIS) platform that facilitates the sharing and analysis of more project-specific information and now includes the fossil fuel units that play a critical role in Hawai'i's energy mix. Interactive layers such as zoning and land use districts, tax map parcels, transmission lines, and other items inform the user of the various energy projects throughout the state and their characteristics. From July 1, 2020, to June 30, 2021, there were 12,955 page views to the Directory.
- **Renewable Energy Permitting Wizard:** One of HSEO's statutory duties under [HRS 196-72](#) is to facilitate the efficient, expedited permitting of renewable energy projects to achieve Hawai'i's renewable energy goals. One of the ways HSEO accomplishes this is through its online [Renewable Energy Permitting Wizard](#), which identifies the county, state, and federal permits and approvals and the sequence in which the approvals may be obtained; facilitates the appropriate siting of large projects; and serves to reduce soft costs associated with project siting and permitting due diligence. In June 2021, HSEO contracted a consultant to assist in updating the information contained in the Wizard; specifically, all the county, state, and federal permits contained in the Wizard. Updates are to be completed in 2022.
- **Environmental Review and Comment Submittal:** HSEO provides review and technical comments on HRS chapter 343 environmental documents for renewable energy projects across the state. In addition, HSEO regularly submits and provides written and oral testimony in support of renewable energy projects that require discretionary permits and approvals. HSEO collaborates with interested stakeholders and State and County agencies, such as the Department of Land and Natural Resources, when submitting comments on large projects that are often multifaceted and span various environmental sectors to help ensure concerns are proactively addressed when developing renewable energy projects.
- **Community-based renewable energy (CBRE),** also known as "community solar" and "Shared Solar," provides a means for utility ratepayers to invest in solar projects

where they do not have the means or ability to invest in their own rooftop solar installations. HSEO is an intervenor in the docket [2015-0389](#). In FY21, 124 documents, consisting of over twenty-one thousand pages, were filed in the docket. HSEO developed a webpage to explain the CBRE process, attended public and working group meetings, and facilitated public comments on the PUC’s CBRE docket to improve the process for requests for proposals. HSEO will continue to work with project developers (“subscriber organizations”), the public, and communities.

- **Workforce Development:** HSEO met with previous and current renewable energy project developers to discern their progress and needs, and to identify near-term opportunities for Hawai’i residents to enter the clean energy industry. Several needed skills and certifications were identified. HSEO is working with schools and universities, trades, and workforce development organizations such as the Chamber of Commerce of Hawai’i and Workforce Development Council to ensure Hawai’i residents have access and opportunity to obtain the needed skills and certifications to design, build, and operate Hawai’i’s clean energy future.
- **Real Property Assessments, O’ahu:** Ongoing communication with project developers during FY21 enabled HSEO to be productively involved in an issue that surfaced in August 2021 regarding a new property tax treatment that jeopardized the viability of solar projects in existence and under development because this was not the tax treatment the projects relied on during financing and competitive utility procurements. If not remedied, the new tax treatment would also significantly increase the cost for any new renewable energy projects on lands other than those zoned industrial. After much discussion and involvement, an interim measure was passed in December 2021. HSEO continues to work on this issue to reach a long-term solution.

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

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

**Action Plan:**

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

**Measure of success:** Successful and appropriately sited renewable energy projects. Effectiveness and usefulness of information and on-line tools.

**Budget impacts:** The conversion of an unbudgeted Energy Analyst position is requested as the position actively engages with permitting agencies, regulators, project developers, decision-makers, task forces, organizations, experts, communities, the public, and others regarding siting, sizing, financing, bidding, permitting, and interconnecting renewable, microgrid, and other energy projects. The addition of an Energy Economics Specialist position is requested to focus on the financial aspects of energy projects, programs, and system transitions (including electricity and fuel energy production, distribution, wholesaling, conversion, replacement, retirement, or stranding of assets; curtailment, investing, taxing, and establishing safe harbor) as essential components of Hawai'i's energy systems. Funds for an unfunded Energy Program Specialist position are also requested to be able to fill a position needed for successful identification of permits, processes, resources, and attributes, leading to effective management of issues and concerns, thus supporting HSEO efforts to improve processes to appropriately site, affordably price, efficiently permit, and successfully complete renewable energy projects in Hawai'i. The addition of an Energy Jobs Development Specialist position is requested to support energy development and to coordinate energy needs with the private sector and public agencies under HRS Chapter 196.

- **Energy Efficiency:** Energy efficiency saves money for agencies, businesses, and residents. Hawai'i learns from, and contributes to, national and local organizations of experts in energy efficiency technologies, building codes and standards, and government operations and procurement. This allows HSEO to effectively collect information, assess feasibility, recognize, and share best practices, which informs, validates, increases success, and promotes implementation of energy efficiency measures, programs, and projects at all levels.

Actions undertaken by HSEO to support energy efficiency include:

- **International Energy Code Adoption:** As ex-officio voting member and Chair of the State Building Code Council, HSEO was instrumental in the Council's recent adoption of the 2018 International Energy Conservation Code with Hawai'i-specific amendments. HSEO works with state agencies, county, business, non-profit, and energy professionals to evaluate and provide training on minimum energy performance standards for commercial, residential, and other buildings in Hawai'i.
- **Hawai'i Green Business Program:** HSEO coordinates the Hawai'i Green Business Program (HGBP), which provides technical assistance to businesses to implement energy and resource-efficient practices and recognizes the success and value of the

practices during an annual award ceremony. Now in its eighteenth year, the Hawai'i Green Business Program was established as a partnership between the HSEO, the Department of Health, the Board of Water Supply, and the Chamber of Commerce of Hawai'i.

- **Energy Efficiency Technical Assistance:** HSEO collaborates with and provides information and technical review to government agencies, professional associations, and educational institutions in Hawai'i to reduce energy use and to participate in performance contracting. In addition to in-house expertise, HSEO contracts with technical and contracting experts to provide in-depth review, analysis, and recommendations.

**One-Year goal:** Provide training on the 2018 IECC and Hawai'i and county amendments and support for county adoption. Conduct 2021 IECC Working Group meetings to discuss industry, code official, and other stakeholder concerns and draft Hawai'i amendments to the 2021 IECC. Obtain federal funding to support technical assistance and training.

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

**Action Plan:**

- Provide leadership in Energy Code and Community College Train the Trainer events and toolkits to improve the awareness of and interest in employment opportunities in code official and code verification professions. Establish a working group to develop Hawai'i-specific provisions in collaboration with the national labs, for the 2021 IECC for the State Building Code Council.
- Work with State, county, federal agencies, and energy industry partners to reduce energy use for state buildings 25% (from 2005 levels) by 2025.
- Increase the knowledge of advanced design and construction practices in community college and professional continuing education programs.

**Measure of success:** Utilization of train-the-trainer toolkits. The number of participating instructors and students. Number of other states that participate with Hawai'i, Illinois, and Nevada. Number of professionals and code officials trained in the 2018 and 2021 IECC. Meetings of the 2021 IECC working group and list of provisions for Hawai'i amendments. For State facilities: number of State facilities benchmarked; rebate or energy cost savings identified for capital improvement projects; measured energy savings; and calculated bill savings.

**Budget impacts:** HSEO has used federal funds to contract technical services in support of the technical assistance and training programs. Management of this work falls on those who are already doing double duties.

- **Clean Transportation:** HSEO has taken a leadership role in advancing the adoption of clean transportation across Hawai'i, including facilitating zero emission vehicle (ZEV) deployment and associated electric vehicle charging infrastructure, which directly contribute to reducing petroleum consumption and emissions in the transportation sector. To decarbonize the transportation sector, HSEO works with local communities; federal, state, and county agencies; energy stakeholders; and clean transportation stakeholders to encourage and facilitate the adoption of clean transportation technologies.

The availability of ZEVs for purchase and the accessibility of charging stations are significant factors for the advancement of clean ground transportation. HSEO has pursued opportunities to send market signals to vehicle manufacturers and lessors to increase the availability of ZEVs for purchase and rent throughout the state.

Actions undertaken by HSEO to support clean transportation include:

- **Medium- and Heavy-Duty Vehicle Memorandum of Understanding:** HSEO led the effort for Hawai'i to join with 14 other states and Washington D.C. in signing the Multi-State Zero Emission Medium- and Heavy-Duty Vehicle Memorandum of Understanding (MDHD MOU).
- **Volkswagen Settlement:** Investment of \$8.125 million allocated to Hawai'i as part of a federal settlement with Volkswagen to mitigate vehicle emissions through the replacement of medium and heavy-duty vehicles, as well as the deployment of light duty vehicle supply equipment.

HSEO has allocated \$2.5M of VW Settlement funds towards rebates for MDHD transit, shuttle, and school buses, as well as MDHD trucks. This funding is used as a local match for federal Diesel Emission Reduction Act (DERA) funds in partnership with Hawai'i Department of Health (HDOH). This partnership leveraged Volkswagen Settlement funds to receive a bonus incentive of roughly \$500,000 from the U.S. Environmental Protection Agency's Diesel Emissions Reduction Act program, increasing the otherwise available funds by more than 30 percent. These funds will go towards the Diesel Replacement Rebate (DRR), a multi-year program that will offer 45% rebates to public and private organizations within Hawai'i that replace old, medium- and heavy-duty vehicles with an electric equivalent and an associated charger.

HSEO is collaborating with Hawai'i Department of Transportation (HDOT) to utilize

\$4.2M of Volkswagen Settlement funds to procure up to 12 ZEV transit buses for Hawai'i, Kaua'i, and Maui Counties. The partnership with HDOT leverages Federal Transit Administration Low or No Emission Vehicle Program formula funds and two competitive grants to develop the pilot project.

- Partnered with HDOH to leverage federal funds to help with the procurement of a battery electric bus and charging equipment for the City and County of Honolulu. This partnership will continue.
- HSEO has allocated 15%, the maximum authorized percentage, to the deployment of charging infrastructure in HSEO's Beneficiary Mitigation Plan.
- **EV Charging Infrastructure:** HSEO engages in both market building activities and infrastructure deployment supporting the buildout of EV charging infrastructure. HSEO has nominated alternative fuel corridors on Hawai'i island, Maui, Moloka'i, Lāna'i, O'ahu, and Kaua'i. With the designation of alternative fuel corridors, the Federal Highway Administration (FHWA), is establishing a national network of alternative fueling and charging infrastructure along national highway system corridors. Segments of each nomination have been designated either "corridor pending" or "corridor ready" by the FHWA. In 2020, FHWA Highway Infrastructure Program (HIP) funding was expanded to projects providing "necessary charging infrastructure along corridor ready or corridor pending alternative fuel corridors." Corridor designation also opens federal funding opportunities under the IJJA.

HSEO has allocated \$50,000 towards the deployment of a DC fast charger on Kaua'i to support the successful application of a future corridor ready designation. HSEO has filed to become a participant in Docket [2021-0173](#) concerning Hawaiian Electric's application to implement a \$79M Public Electric Vehicle Charger Expansion Project. HSEO has a role in coordination as directed by HRS section 169-72 and has an interest in the coordination opportunity the application presents. It will be critically important for HSEO to coordinate with HECO, HDOT, the Counties and all relevant parties to ensure that the application is assessed holistically and takes into consideration the IJJA formula and competitive funding opportunities as well as Volkswagen Settlement funds such that the needs of Hawai'i consumers, including low- and moderate-income consumers are addressed.

HSEO has participated in a "electric vehicle as a service" contract with DOT, resulting in an electric vehicle that is available for HSEO staff to conduct official state business activities. This vehicle is price-comparable to a fossil fuel powered internal combustion engine vehicle, and costs less to fuel and maintain. Use of the vehicle is charged per mile of use and includes the cost of charging and maintaining the vehicle.

- **Vehicle Miles Traveled/Active Transportation:** HSEO and DLNR applied for and

were awarded a grant from the U.S. Climate Alliance to hire a Vehicle Miles Traveled (VMT) and Active Transportation Specialist in December 2021. Reducing VMT is a form of energy efficiency. The least expensive energy is the kind that never has to be generated in the first, reducing the number of miles travels contributes to overall energy efficiency. Throughout the two years of the grant-funded position, this person will focus on the development and implementation of strategies to reduce VMT in the State of Hawai'i through mode-shift, active transportation, and other associated means.

**One-Year goal:** Release the Vehicle Assistance Program (VAP) for eBus rebates funded through the Volkswagen Settlement fund and Diesel Emission Reduction Act (DERA). Refine deployment plan for the investment of the remaining EV charging infrastructure dollars and eBus program under the Volkswagen Settlement. Collaborate with relevant state agencies, including HDOH and HDOT, and local stakeholders to identify and pursue funding opportunities including the IJJA.

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

**Action Plan:**

- Advance investment in clean transportation infrastructure and vehicle adoption throughout Hawai'i through the Volkswagen Settlement, DERA, and other federal grants, and designation of clean transportation corridors coordinated as relevant with sister agencies at the State and county level and transportation stakeholders.
- Explore and participate in innovative ways to adopt alternative fuel vehicles. Support other State and county agencies as they transition to a decarbonized fleet.

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

**Budget impacts:** The conversion of an unbudgeted short-term, federally funded Transportation Energy Specialist position is critical as it is managing and implementing strategies to reduce the energy intensity of mobility. The position works with State agencies to integrate best practices into the state's operations and supports the transition of the State's fleet to Zero-Emission Vehicles (ZEV) on planning, procurement, and integration of zero-emission vehicles and charging/fueling infrastructure, and fleet reduction/mode shift. Funds for an unfunded Energy Analyst position are also requested to enable filling of the position needed to interface with stakeholders at the legislature, State departments, County agencies, Federal partners, industry, and other

stakeholder groups ensuring coordination of state clean transportation efforts with the overarching state energy policy. An expenditure ceiling is also requested for the Volkswagen trust funds to implement Eligible Mitigation Actions.

- **Stakeholder and Community Education, Outreach and Engagement:** HSEO is prioritizing a more comprehensive public clean energy education, outreach, and engagement program, which is critical to achieving HSEO’s broader mission to promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient, clean energy economy. To increase living wage jobs, capital investment in energy efficiency and renewable energy projects, access to energy efficiency opportunities, and decarbonize the economy, HSEO must reach out to all sectors in Hawai‘i. The increasing public challenges and vocalized community concerns about energy projects’ impacts on host communities has made it clear there needs to be a more focused effort to reach out to and include grassroots community in stakeholder engagements and collaborations to more effectively, efficiently, and equitably advance Hawai‘i’s clean economy goals. Actions undertaken by HSEO to support stakeholder and community education, outreach and engagement include:
  - **Clean Energy Education Program:** Working in partnership with the Hawai‘i Department of Education to support the development and further expansion of clean energy education programs that will empower Hawai‘i’s youth and citizens to meet the State’s clean energy goals, while strengthening science, technology, engineering, and math (STEM) education and introducing students to potential energy job opportunities.
  - **Stakeholder Outreach:** Participating in numerous educational and outreach events with staff serving as subject matter experts in a myriad of clean energy-focused topics. Event topics and themes include energy building codes, energy performance contracting, environmental/climate change, renewable energy, energy awareness fairs, EV/clean transportation, and energy-focused community meetings.
  - **Dedicated Website:** Updating and maintaining a dedicated website that educates viewers about Hawai‘i’s growing clean energy economy and vision and the HSEO’s initiatives, activities, and programs. Viewers can find up-to-date information about energy planning, renewable energy and energy projects, energy efficiency, and clean transportation, including the annual Hawai‘i Energy Facts and Figures, and numerous reports and studies. In FY21, there were 670,418 page views to [energy.hawaii.gov](http://energy.hawaii.gov), a nearly 98 percent increase over FY20.
  - **Publications:** Developing and distributing publications and collateral material to raise awareness and communicate progress of clean energy efforts of the HSEO. To educate and update stakeholders on Hawai‘i’s constantly changing energy landscape, HSEO distributes an annual report, a quarterly e-newsletter, an annual



compendium of Hawai'i's key energy data, and various collateral pieces. In FY21 e-newsletters and e-blasts communications were sent to 10,233 subscribers, a decrease compared to FY20 due in part to vacancy in the PAO role for almost six months of the year.

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

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

**Action Plan:**

- Start the Clean Energy Wayfinders Program through federal funding in coordination with Kupu 'Āina Corps.
- Stand up an overhauled communications program including a new website that provides easier access to data, resources, and opportunities to provide comment to HSEO.
- Develop and implement a community engagement playbook to provide tools and resources to communities and developers that help them work together productively on new clean energy infrastructure.
- Co-host Okinawa-Hawai'i Partnership on Clean and Efficient Energy Development and Deployment activities and participate in other national and international forums.
- Continue deploying new clean energy education curriculum and teacher training to Hawai'i K-12 Title One schools.

**Measure of success:** Number of viewers to HSEO information platforms. Compare community engagement feedback over time to measure effectiveness of each approach. Feedback from educators and students on new curriculum.

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

for outreach and engagement activities on an international level in upholding Governor Ige's commitment in support of the Paris Agreement, also known as the Paris Climate Accord, as well as the Okinawa-Hawai'i partnership.

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

Actions undertaken by HSEO to support data analytics include:

- HSEO has begun the work of establishing an energy ecosystem data governance framework. As a necessary preliminary activity to downstream data governance efforts, HSEO has conducted an in-house data inventory survey to develop and maintain a base level of situational awareness of the office's consumption, utilization, and curation of data. The results of this survey culminated in a data catalog comprising 80 datasets, spanning a multitude of public, private, and non-profit sources.
- The framework is the foundation of an online data lake to serve as a single source repository for energy related data, and other data that has been identified as the necessary raw material to fuel a data driven approach to analyzing, formulating, and recommending policies and plans to achieve the State's energy goals. Having all the relevant data housed in a single location, with standardized conventions and formats, will eliminate much of the need to manually forage for data.
- HSEO has hired a Data Science Specialist utilizing federal funds to aid in the data lake build out and to collaborate with energy data stakeholders throughout Hawai'i in developing a data governance framework. This framework will enable the Hawai'i State Energy Office to make more effective use of data by bringing it out of the wild and housing it in closer proximity to its demand. By culminating in a public-facing data API application programming interface and visualization dashboard, this framework will also facilitate future collaborations with energy stakeholders, as well as the dissemination of pertinent energy information to the public.
- HSEO has partnered with the Hawai'i Data Science Institute (HI-DSI) to sponsor three Data Science Fellows. The Fellows will develop, analyze, and visualize specific energy policy scenarios and develop building energy and transportation data sets within the data governance framework that the Data Science Specialist is developing.

- HSEO has continued developing its “Engage” energy system modeling tool. Previously known as Hawai’i Energy Visualization Initiative or HEVI, HSEO developed this in collaboration with the United States Department of Energy’s (DOE) National Renewable Energy Laboratory (NREL). “Engage” can augment the energy system planning process by empowering more stakeholders to better understand and solve energy system planning problems. NREL has provided training to the HSEO staff and HI-DSI Fellows on engage and co-developed island electric systems that will be used in future analyses.
- HSEO has continued the deployment of its HAVEN visualization platform as an engagement tool. HAVEN supports the analysis and communication of information contained within complex energy data sets highlighting energy and related sector interdependencies and scenarios. HAVEN continued to be utilized in discussions on the tradeoffs of alternative renewable energy buildout pathways, in particular how they may impact land utilization.

**One-Year goal:** Provision and deploy HSEO data lake. Build out preliminary capabilities: begin ingesting raw data, testing partitioning schemes, ETL logic, transformations, schemas for structured tables, cataloging, and meta-data. Design, develop, and deploy a new energy data dashboard on the HSEO website.

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

**Action Plan:**

- Develop a data governance framework for energy data to support measurement and evaluation of progress towards state energy goals, identify opportunities, and promote outreach and education.
- Design the framework to better disseminate data to the public. Develop the energy data governance framework for Hawai’i through a federally funded Data Scientist and Fellows in partnership with HI-DSI.

**Measure of success:** Common data standards and practices across Hawai’i’s energy ecosystem. Accessibility of data sets.

**Budget impacts:** The conversion of an unbudgeted Data Science Specialist position is critical as it is responsible for the design, development, and implementation of a data governance framework, with a focus on improvement of data quality and the protection of sensitive data through modifications to HSEO and data stakeholder behavior, policies and standards, principles, governance metrics, processes, related tools, and data architecture. In addition, funds are requested to maintain HSEO’s data lake, which serves as a shared repository for data sources and elements that are pertinent to informing, guiding, and monitoring

progress towards the State of Hawai'i's clean energy initiatives and goals.

**FEDERAL FUNDS:** US Department of Energy's State Energy Program (SEP) Formula Award CFDA 81.041 is a recurring award. HSEO does not anticipate any change to the State of Hawai'i's allocation of State Energy Program (SEP) funds in the current year and upcoming years.

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

The President recently signed the Infrastructure Investment and Jobs Act with numerous sources of federal funds approximating \$780 million for energy and decarbonization programs and projects. HSEO anticipates funding to become available in the spring and summer of 2022. Successfully competing for these dollars will require cost match or working capital from its Energy Security Special Fund (ESSF). HSEO's ability to pursue federal funding opportunities will be limited by the state funds available for cost match and/or working capital. Without an ESSF expenditure ceiling, it may not be able to effectively compete for much of the largest stimulus appropriations in US history.

The addition of an Energy Grants Specialist position is requested to support HSEO energy and decarbonization grant and sponsorship activities with responsibility for writing, maintaining, reviewing, and coordinating grant programs and contract administration and other assigned special projects. Without such a position, HSEO will only be able to pursue a limited number of only the highest priority grants and forego competing for much of the largest stimulus appropriations in US history.

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

**BUDGET ADJUSTMENTS:** FY23 supplemental budget requests address HSEO's top priorities as the critical path to a resilient clean energy economy while recognizing the critical need to continue supporting the State's economic recovery. Additional funds would be used to staff mission-critical positions and provide access to additional funding sources that could expedite the transition to a clean, decarbonized economy.

- **\$66,915 General Funds for FY23 for payroll.** Request funds for payroll deficit for Chief Energy Officer #101240 – MOF A \$66,915 (recurring). Payroll funds are needed to address a payroll deficit that resulted when an existing position was used to hire the Chief Energy Officer (CEO) at a salary that was set by the Governor. Act 122, SLH 2019 established that the Hawai'i State Energy Office be led by the CEO; however, the legislation did not authorize a position or appropriate funds for the position.
- **\$175,500 to change MOF for 4 positions to General Funds for FY23.** Request for four positions and funds for critical federal funded Data Science Specialist, Energy Analyst, Energy Assurance Specialist, and Transportation Energy Specialist – MOF A 4.00 \$175,500 (recurring 4.00 \$351,000). HSEO staffing has undergone severe reductions, from 33 positions in FY19 to 22 positions in FY22. To provide adequate resources for

HSEO activities and programs, temporary 100% federal funded positions were established and filled. While not sustainable, the positions were essential to fill critical ongoing needs. This request is to convert four unbudgeted positions.

- **\$160,000 General Funds for 2 authorized positions for FY23.** Request funds for two authorized but unfunded positions for Energy Analyst #119367 and Energy Program Specialist #119414 – MOF A \$160,000 (recurring). These positions support clean transportation and renewable energy initiatives.
- **\$2,500,000 Special Fund expenditure ceiling from ESSF.** Request an expenditure ceiling for the Energy Security Special Fund (ESSF) to provide funds to leverage federal grant funding – MOF B \$2,500,000 (recurring \$500,000). The ESSF would leverage federal funds up to 3-4 times for projects in support of the State's energy and decarbonization goals and enable HSEO to respond to emergency declarations.
- **\$142,715 General Funds for 4 positions FY23.** Request four positions and funds for Energy Grants Specialist, Regulatory Assistant, Energy Economics Specialist, and Energy Jobs Development Specialist and funds for OCE – MOF A 4.00 \$142,715 (recurring 4.00 \$265,000). This request to authorize positions and funds for four new positions that are needed to fill resource gaps within HSEO.
- **\$30,000 General Funds for FY23 for Data Lake.** Request funds for OCE for an HSEO Data Lake to serve as a shared repository for energy data sources and elements – MOF A \$30,000 (recurring). HRS §196-72, stipulates that HSEO's CEO shall: "Develop and maintain a comprehensive and systematic quantitative and qualitative capacity to analyze the status of energy resources, systems, and markets, both in-state and in other states and countries..." and "Act as the State's energy data clearinghouse by identifying, collecting, compiling, analyzing, publishing, and where possible, monetizing energy and clean transportation data and analyses."
- **Convert 1 Permanent FTE to Temporary FTE.** Request to convert permanent Secretary II #26796 to temporary HSEO Administrative Assistant – MOF A -1.00 -\$54,505/+1.00 \$54,505 (recurring) to be in alignment with Act 122 (SLH 2019). This request is to convert the position in the budget from permanent to temporary by moving the FTE and funds. The position became vacant in February 2021 and has since been filled. Section 14 of Act 122 (SLH 2019) provides that "... the chief energy officer and employees of the Hawai'i State Energy Office shall be exempt from chapter 76 and shall not be considered civil service employees ...".
- **\$6,906,250 Trust Fund Expenditure Ceiling for Volkswagen Environmental Mitigation Trust Agreement.** Request an expenditure ceiling for the Volkswagen Environmental Mitigation Trust agreement to implement Eligible Mitigation Actions – MOF T \$6,906,250 (recurring). To deliver on the Beneficiary Mitigation Plan under the Volkswagen (VW) settlement, an expenditure ceiling for Volkswagen trust funds is requested for non-administrative expenditures.
- **\$65,000 Special Funds expenditure ceiling from ESSF to pay for special fund assessments.** Request an expenditure ceiling for the Energy Security Special Fund to pay annual Special Fund Assessments – MOF B \$65,000 (recurring) to meet its obligation of transferring central service expenses and departmental administrative expenses to

the general fund.

- **\$31,500 General Funds for FY23 for International Outreach and Engagement.** Request funds for engaging on an international level with energy and climate change organizations – MOF A \$31,500 (recurring).

## **RESEARCH & ECONOMIC ANALYSIS DIVISION – BED 130**

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

**BUDGET REQUEST:** Requesting \$94,000 general fund to match the Federal grant for the Occupational Safety and Health (OSH) Program, which is required by Federal law.

**CURRENT ECONOMIC AND FISCAL CONDITIONS:** Act 88, SLH 2021 transferred the Labor Research and Statistics Program from DLIR to DBEDT/READ. However, Act 88 did not transfer the matching state general funds to cover the expenses for the Occupational Safety and Health (OSH) Program to cover expenses such as office rental, telephone, internet, office equipment, and overhead expenses.

### **Additional COVID-19 Related Projects Conducted:**

- Created a new dashboard on the [economic impact of COVID-19](#) with weekly updates.
- Produced reports on the impact of COVID-19 to the population and businesses in Hawai'i.
- Partnered with 16 private organizations in a READ designed, implemented, and tabulated Hawai'i Commercial Rent Survey. The survey was conducted in July, September, December 2020, and March 2021. The objectives of the survey included finding out the business operation status, revenue projections, tourism contribution to their businesses, and the status of business rent payments. Results revealed that in 2020, 16% of Hawai'i businesses were closed in July, 24% were closed in September due the second stay-home order for Honolulu County, 10% closed in December 2020, and 8% closed in March 2021.
- Delivered 20 presentations on the economy at various business and community associations and groups.

### **NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

- **Labor Research Branch (LRB):** LRB transferred from the Department of Labor and Industrial Relations (DLIR) effective July 1, 2021. Partnered with the U.S. Bureau of Labor Statistics (BLS), the branch conducts surveys to collect data and reports to the

public on Hawai'i labor market conditions including labor force, employment, unemployment rate, job count by industry, wages by occupation, business size by industry, and occupational injuries.

**One-Year Goal:** To report monthly statistics and annual report on time following the schedule of the BLS.

**Five-Year Goal:** To prepare research reports on the development of labor market. Conduct trainings to Hawai'i data users on the use of labor statistics.

**Action Plan:** Periodic meetings with the BLS. Monthly and quarterly reports to the BLS. Establish a working group to develop dashboards and a data warehouse for labor statistics.

**Measurement of success:** Number of reports released, data series in the dashboard and data warehouse, number of attendees for the labor statistics training, website visits, and media coverage of the labor statistics.

**Budget Impacts:** If budget cuts occur, training, and the dashboard and data warehouse development may be canceled. The number of studies and quality of the studies will also be reduced.

- **Tourism Research Branch (TRB):** The TRB conducts surveys and studies to monitor the performance and economic contribution of Hawai'i's tourism industry which is the number 1 employer of the state. The studies include the supply side of the industry such as visitor room inventory, air seats and cruise arrivals, and the demand side of the industry such as visitor arrivals, expenditures, accommodations used, and purpose of trips. The studies also include the satisfaction level of visitors and the attitude of residents toward tourism in Hawai'i.

**One-Year Goal:** To report the daily passenger arrivals by direction of travel, the monthly visitor statistics and annual reports on all aspects of tourism.

**Five-Year Goal:** To conduct more area-focused studies on the economic impact of tourism such as the North Shore, Windward Side, Waikiki, and Leeward areas of O'ahu.

**Action Plan:** Periodic meetings with contractors, weekly meetings with the research team, monthly meetings with the Hawai'i Tourism Authority (HTA) Board to learn the new development in the tourism area and learn the demand of tourism data and research.

**Measurement of success:** Number of reports released, data series in the dashboard and data warehouse, website visits, and media coverage of the tourism statistics and studies.

**Budget Impacts:** If budget cuts occur, the number of studies and quality of the data will be reduced.

- **Statistics and Data Support Branch (SDSB):** The SDSB conducts survey and studies mainly on Hawai'i's population and demographics. The program hosts two programs partnered with the U.S. Census Bureau: the State Data Center and the Federal State Cooperative for Population Estimates (FSCPE). The two programs are responsible for Hawai'i decennial census and annual population estimates. The branch compiles data

and publishes the State of Hawai'i Data Book on annual basis and updates the book year-round when new data becomes available. The program provides support to other branches in the division by developing dashboards and data warehouses to present data produced by the Labor Research and Tourism Research Programs. The branch maintains the DBEDT Economic Data Warehouse and the Tourism Data Warehouse, and maintains the Hawai'i Energy Industry Information Reporting Program (EIIRP). The branch provides support to statewide and worldwide data users.

**One-Year Goal:** To increase the data points by 20,000.

**Five-Year Goal:** SDSB will develop 5 more data dashboards on the labor, tourism, the economy and the population. Enlarge the Economic Data Warehouse to include more detailed data on labor statistics.

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

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

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

- **Economic Research Branch (ERB):** ERB conducts studies on all aspects related to Hawai'i's economy and the population including economic issues on energy, industry structure, workforce, household consumption, population, taxation, and businesses. The branch prepares annual reports on Emerging Industries and the Self-sufficient Income Standards as requested by legislation. The branch assesses the economic conditions, identifies growth potentials, and projects future trends. The branch also prepares economic documents for the Department of Accounting and General Services, Department of Transportation, and Department of Budget and Finance for the State's revenue bond and general obligation bond credit rating and sales. The branch also updates the Hawai'i Input-Output Model which is a tool used widely by the professionals for estimating economic impacts.

**One-Year Goal:** Prepare five (5) reports on the current economic issues facing the state.

**Five-Year Goal:** Conduct 25 comprehensive studies on the economy and develop a new model for short-term and long-term economic and population projections.

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

**Measurement of success:** Number of studies produced annually, media



coverage, citations, and comments from the Legislature, Administration and the public, number of page views on the report website.

**Budget Impacts:** If budget cuts occur, the quantity and quality of the economic studies will be reduced, and the studies will be delayed.

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

**One-Year Goal:** 20 community event participations.

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

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

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

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

#### **FEDERAL FUNDS:**

READ has two federal granted programs with the US Department of Labor one for \$725,945 and the other for \$94,000. The \$94,000 federal funding for Occupational Safety and Health Statistics requires matching funds in the same amount. If there are no matching funds, the \$94,000 will be lost and there will be no data collected on Hawai'i's occupational injuries, which is required by federal law. READ is requesting general funds in this amount.

**Federal Award Title:** Labor Force Statistics with the Bureau of Labor Statistics

**CFDA Number:** 17.002

**Federal Award Title:** Occupational Safety and Health Statistics with the Bureau of Labor Statistics

**CFDA Number:** 17.005

READ also received Coronavirus State Fiscal Recovery Funds (CSFRF) subaward in the amounts of \$4,000,000 each for FY 22 and FY 23.

**NON-GENERAL FUND:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

#### **BUDGET ADJUSTMENTS:**

- **\$94,000 in General Funds FY 2023:** To be used as matching funds for labor research. The \$94,000 Federal grant for Occupational Safety and Health Statistics with the Bureau of Labor Statistics, U.S. Department of Labor, is subject to state matching funds in the same amount. If the request for matching fund is declined, the Federal portion of \$94,000 will be lost and there will be no data collected on Hawai'i's occupational injuries which is required by Federal law.

## **HAWAI‘I GREEN INFRASTRUCTURE AUTHORITY – BED 138**

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

HGIA was capitalized with the proceeds from the Green Energy Market Securitization (“GEMS”) Bond, an innovative, market-driven financing mechanism, to advance the State’s Energy Efficiency Portfolio Standards (“EES”) and support efforts to achieve its 100% renewable portfolio standards (“RPS”) goal in the electricity sector by 2045.

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

HGIA’s \$85,978,302 base budget consists of the following:

- \$ 842,310 – Salary and Fringe
- \$ 320,992 – OCE
- \$50,000,000 – Special Fund Lending Ceiling
- \$15,000,000 – State Revolving Fund Lending Ceiling
- \$19,815,000 – GEMS Bond Fund Ceiling

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

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

**CURRENT ECONOMIC AND FISCAL CONDITIONS:** As we emerge out of the COVID-19 pandemic, Hawai‘i has benefited with federal legislation and funds designed to kick-start our economy and create/retain jobs.

Congress’ decision to extend the Federal Solar Tax Credit at 26% through 2022, coupled with ratepayers seeking to lower their energy costs have resulted in a steady increase in applications towards the end of the 2021 calendar year.

While one might consider it an “artificial” boost to the economy, the additional Federal funds expected through the various programs in the American Rescue Plan Act, the Infrastructure bill and the budget reconciliation process will provide additional opportunities for economic

growth, increased consumer confidence and clean energy adoption.

**NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

In addition to the continued deployment of HGIA’s existing GEMS financing programs, the Authority has been laying the foundation to expand its programs, services and capital base, as follows:

- **Expand Lending Activities:** Upon the passage of Act 107 (SHL 2021) on June 28, 2021, per Part 1719 of the Code of Federal Regulations, the Authority submitted a Letter of Intent to the US Department of Agriculture (“USDA”) Rural Energy Savings Program (“RESP”) to apply for a \$20.0 million loan under the RESP’s re-lending program in July 2021. In October 2021, USDA provided HGIA an “Invitation to Apply” with the complete application packet due by December 15, 2021. HGIA accomplished last year’s goal of getting the legislation passed and submitting the letter of intent to apply for the Federal grant.

**One-Year Goal:** Submit the application packet to USDA by the due date of December 15, 2021.

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

- Based on HGIA’s proforma projections for the RESP loan application, HGIA estimates that the \$20.0 million in loan funds will facilitate approximately 112 installations. As such, the Authority will continue to seek additional funding sources as opportunities arise.

**Action Plan:**

- Identify access to capital gaps within the State.
- Design loan products. Instead of designing new loan products, the USDA funds will be integrated into HGIA’s existing suite of products for increased efficiencies in deployment.
- Outreach with partners and stakeholders.

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

**Budget Impacts:** The net interest margin earned on loans made by USDA funds will offset administrative expenses while building a foundation of revolving loan funds for the Authority.

- **Servicing the underserved ratepayers:** The Authority continued to originate, underwrite, approve, and fund loans to underserved ratepayers during the year leveraging its on-bill repayment mechanism and making clean energy more accessible to previously hard to reach ratepayers.

**One-Year Goal:** Continue deploying funds to facilitate clean energy adoption for underserved ratepayers.

**Five-Year Goal:** Develop new products to further help underserved ratepayers, such as leveraging the on-bill repayment mechanism to service ongoing

subscription fees for Community Based Renewable Energy (“CBRE”) projects, with or without GEMS financing.

CBRE developers have reached out to HGIA to utilize its on-bill repayment mechanism to reach underserved ratepayers while mitigating developer risks. HGIA has been working with HECO on the reprogramming required to accommodate the GEM\$ Program Charge in the CBRE portal to automate Subscriber onboarding the servicing.

**Action Plan:**

- Work with CBRE developers and HECO to re-program CBRE portal.
- Obtain PUC approval to finance utility scale projects. Obtain PUC approval to utilize the GEM\$ on-bill repayment mechanism without HGIA financing.
- Develop processes, forms, documents and agreements for CBRE developers and Subscribers.
- Enroll subscribers.
- Service subscription fees.

**Measure of Success:** Jobs created, tax revenue generated kWh produced or reduced, etc., however, the real measurement of success will be the enrollment of underserved ratepayers who are currently being excluded from CBRE projects.

**Budget Impacts:** Given the small 5 FTE staffing currently approved, the Authority may need to rely on outsourced contractors for a portion of the additional workload this new service will require.

- **Deploy SSBCI Funds:** The American Rescue Plan Act (“ARPA”) reauthorized and appropriated additional funds to all states for its State Small Business Credit Initiative (“SSBCI”) Program. As HGIA is a financing authority, sister agency, Hawai’i Technology Development Corporation (“HTDC”) which is expecting to receive some \$60.0 million in Federal funds, has asked HGIA to assist with deploying approximately 2/3 of said capital with a credit enhancement and direct financing program.

**One-Year Goal:** the SSBCI application is due in mid-December 2021. Approvals and funds are expected in March 2022. The direct financing and credit enhancement program are required to be established no later than June 2022. Upon the launch of these programs, HGIA will be doing stakeholder outreach to deploy funds.

**Five-Year Goal:** At least 2/3 of the total funds available should be deployed to eligible businesses and organizations in order for Hawai’i to maximize the amount of funds received from the Federal government. SSBCI funds need not be returned to the Federal government and repayment will establish revolving facilities which will be available to assist more small businesses even after the SSBCI program ends in seven years.

**Action Plan:**

- As part of HTDC’s SSBCI team, HGIA has been meeting with over 150 interested stakeholders, including conventional bankers, non-traditional

lenders, small businesses, venture capital funds and investors to gather feedback in developing an SSBCI program for Hawai'i.

- Upon Treasury approval, HGIA will develop the Collateral Support Program, including processes, forms, applications, documents and agreements for banks, credit unions and CDFIs
- For the direct financing program, HGIA will develop processes, forms, applications, documents, and agreements for applicants with catalytic projects.
- Enroll banks, credit unions and CDFIs into the Collateral Support Program.
- Approve applications (either Collateral Support applications or direct financing applications) and deploy funds.

**Measure of Success:** One measurement of success is bringing all \$60.0 million to Hawai'i. The other measurements are providing small businesses with access to credit, jobs created/retained, etc.

**Budget Impacts:** Given the small five (5) FTE staffing currently approved, the Authority may need to rely on outsourced contractors for a portion of the additional workload these new programs will require.

**FEDERAL FUNDS:** As indicated above, HGIA has applied for \$20.0 million in additional loan capital from the USDA. It will also be assisting sister agency HTDC with deploying an estimated \$40.0 million in SSBCI funds.

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

**BUDGET ADJUSTMENTS:** None.

### **OFFICE OF THE DIRECTOR & ADMINISTRATIVE SERVICES OFFICE – BED 142**

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

**Budget Requests:** BED-142 requests funds for the Fiscal Officer position (#12888) to enhance program effectiveness and efficiency of fiscal and budgeting operations across the board. The position was unfunded in the previous biennium, FB 19-21. It is imperative to fill this position to ensure DBEDT stays compliant with all regulatory and statutory obligations.

- **HAWAI'I BROADBAND & DIGITAL EQUITY OFFICE**

In July 2021, the Hawai'i Broadband & Digital Equity Office (HBDEO) was established in

Act 225 (SLH 2021). The mission of the office shall:

1. Develop and implement specific strategies and plans to aggressively increase broadband affordability, penetration, and competitive availability in the State;
2. Support the efforts of both public and private entities in the State to enhance or facilitate the deployment of and access to competitively priced, advanced electronic communications services, including broadband and its products and services and internet access services of general application throughout the State;
3. Promote the landing of trans-Pacific submarine cable, including the development of a shared access cable station and associated terrestrial connectivity to reduce barriers to fiber landing in Hawai'i;
4. Promote, advocate, and facilitate the implementation of the findings and recommendations of the Hawai'i broadband task force established by Act 2, First Special Session Laws of Hawai'i 2007, and the 2020 Hawai'i Broadband Strategic Plan;
5. Support the findings of the community-based Broadband Hui as reflected in its digital equity declaration;
6. Administer grant programs in support of broadband infrastructure, innovation, and the digital economy;
7. Actively seek out funding from public and private sources in furtherance of the office's duties pursuant to this section; and
8. Provide a repository, aggregation point, and governance framework for broadband mapping and digital equity data from various sources, including digital literacy, telehealth, distance education, remote work, internet accessibility, and service coverage to support mapping, reporting, infrastructure deployment, and data-driven policy.

**CURRENT ECONOMIC AND FISCAL CONDITIONS:** In 2020 and into 2021, the pandemic revealed that Hawai'i was not prepared for the first stay-at-home, work-from-home orders triggered by the COVID-19. From the start, local government, businesses, educators, and residents felt Hawai'i's vulnerability due to the inadequacy of the digital infrastructure that we had otherwise taken for granted.

Since March 2020, the State's Broadband Strategy Officer in collaboration with the nonprofit organizations –Transform Hawai'i Government and the Economic Development Alliance of Hawai'i (EDAH) – began an informal gathering that became the Hawai'i Broadband Hui. Its initial focus centered on broadband-related initiatives that would enable Hawai'i to weather the impacts of the pandemic, such as offers from providers to ease connectivity to students and homes. The convening drew participation from more than 400 empowered leaders from businesses including the wireline and wireless carriers and providers; federal, state, and county levels of government; public and private education; and nonprofits with grass roots community initiatives.

Through the diverse input gathered in this collective forum, it became overwhelmingly apparent that communities throughout Hawai'i lacked the necessary tools to work, learn, receive healthcare, access government services, and stay connected to their social support networks. These communities varied from rural, native Hawaiian, low-income, disenfranchised and often forgotten. Many of the members, representing communities and subgroups of the Broadband Hui, identified projects that helped close the digital divide, from Wi-fi on Wheels, refurbished computers, community networks, data and mapping, etc. The following is a list of projects worked on by the HBDEO with support from the Broadband Hui:

- **FCC Emergency Broadband Benefit:** The Emergency Broadband Benefit Program was established by the Federal Communications Commission (FCC) in May 2021 to help households struggling to pay for internet service during the COVID-19 pandemic. Under the Emergency Broadband Benefit Program, eligible households can receive up to \$50 a month towards broadband service and up to \$75 for households on Hawaiian Home Lands. Through the Broadband Hui we developed an outreach strategy and created marketing collateral for frontline non-profits servicing the communities. To date, we have about 17,000 Hawai'i households participating.
- **Digital Equity Declaration:** Broadband Hui created the Digital Equity Declaration which compiled the collective priorities articulated through months of thoughtful Broadband Hui conversations and, in alignment with the 2020 Hawai'i Broadband Strategic Plan, sets a foundation for collective action among private- and public-sector partners by providing a vision and goals that will move Hawai'i toward a more equitable digital future. This Declaration is a call to address this critical need by advancing the following three pillars of digital equity:
  1. Access: Broadband access and infrastructure for all of Hawai'i's residents;
  2. Literacy: The tools and learning to bring everyone up to a level of digital literacy; and
  3. Livelihood: The ability to thrive in the digital economy also referred to our digital "pilina" or web of relationships.

**NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

- **Broadband Hui:** The Broadband Hui consists of more than 400 individuals representing wireline, wireless carriers, legislators, local national, and international non-profits, public and private schools, universities, commercial sector, local and state government leaders, and Congressional representatives. This collective forum meets on a weekly basis and has met over 89 weeks since the initial meeting. The Broadband Hui published the [Digital Equity Declaration](#). It is a call for collective action to address the three pillars of digital equity also known as Broadband for A.L.L. (Access, Literacy, Livelihood)

Other projects include:

1. Digital Equity Ecosystem Mapping – Identify the digital equity assets in the state and map them in preparation for the Digital Equity Act, part of the Infrastructure Investment and Jobs Act (IIJA).
2. Broadband Affordability – Assist the FCC in transitioning from the Emergency Broadband Benefit to the Affordable Connectivity Program (ACP), part of the IIJA
3. Kūpuna Digital Inclusion Roadmap – Assist the Kūpuna Digital Inclusion Steering committee on a plan to achieve digital equity for Hawai‘i’s kūpuna.
4. Digital Skills Gap Analysis – Led by the Hawai‘i State Public Library and funded by the National Governors Association, the team will create a plan to assess the digital skills in Hawai‘i and make recommendations to close the digital skills gap.
5. Data Gathering and Mapping - Crowdsourcing of data to determine areas that are unserved or underserved with broadband.
6. Community Networks - Connecting communities like Pu‘uhonua o Wai‘anae, Kīpahulu, Miloli‘i and Moloka‘i.

**One-Year Goal:** Continue convening Broadband Hui.

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

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

**Measure of Success:** Eliminate digital inequity.

**Budget Impacts:** There is currently no budget.

- **Infrastructure Master Plan:** DBEDT made a solicitation and selection for the development of a master infrastructure plan (master plan) for deploying robust, resilient broadband infrastructure throughout the State of Hawai‘i. A major impetus of the need for this statewide master plan is the recently passed American Rescue Plan Act (Capital Projects Fund) and the Infrastructure Investment and Jobs Act (IIJA). These two federal initiatives provide significant funding for broadband which Hawai‘i can utilize to enhance its broadband infrastructure. This master plan will be used to plan and implement the upgrade to Hawai‘i’s broadband infrastructure to allow for reasonably priced broadband access, enhanced network capacity and speed to meet the needs of the next decade of digital expansion and improve the resiliency of the network.

**One-Year Goal:** Obtain funding for master plan.

**Five-Year Goal:** Apply plan findings for Capital Projects Fund and Broadband Equity, Access and Deployment funding.

**Action Plan:** [See Infrastructure Master Plan solicitation.](#)

**Measure of Success:** Number of projects completed.

**Budget Impacts:** Currently, there is no funding.

- **Engineering and Design of Carrier Neutral Cable Landings:** DBEDT, made a solicitation and selection for the services of qualified engineering firms to provide engineering and design services for the design and engineering of carrier-neutral



cable landing infrastructure on the Islands of O‘ahu, Hawai‘i Island, Maui, and Kaua‘i.

**One-Year Goal:** Obtain funding for the engineering and design plan.

**Five-Year Goal:** Apply plan findings for Capital Projects Fund and Broadband Equity, Access, and Deployment funding.

**Action Plan:** [See Engineering and Design solicitation.](#)

**Measure of Success:** Cable landing built.

**Budget Impacts:** Currently, there is no funding.

- **NTIA Broadband Infrastructure Program:** DBEDT, Hawai‘i Broadband & Digital Equity Office, submitted a grant application seeking NTIA funds, from the Consolidated Appropriations Act of 2021, to carry out a project to cover 1,205 households, 100-300 houseless individuals, and at least one anchor institution at the cost of \$20,625,422 overall, under a combined covered-partnership unprecedented for Hawai‘i. The partnership will consist of two fixed broadband providers that will expand existing Fiber To The Premise (FTTP) service networks on several islands – Hawaiian Telcom, Inc. (HTI) and Charter Communications (Spectrum) – and two wireless community networks that will focus on specific geographic areas on the Island of Hawai‘i – Banyan Networks and Sun Global.

**One-Year Goal:** Obtain funding from NTIA, projected Jan 2022.

**Five-Year Goal:** Achieve project completion by 2024.

**Action Plan:** NTIA Broadband Infrastructure Program project proposal.

**Measure of Success:** Number of households covered.

**Budget Impacts:** Currently awaiting notice of award.

- **Broadband infrastructure grant program:** In July 2021, the Broadband Infrastructure Grant Program was established in Act 225 (SLH 2021) within the Department of Business, Economic Development, and Tourism (DBEDT) for administrative purposes. DBEDT shall receive and review grant applications and may award grants for eligible projects pursuant to the program. The department may award grants for eligible projects; provided that on the date the application is submitted, the area to be served by the project shall include either unserved areas or underserved areas.

**One-Year Goal:** Obtain funding for grant program per Act 225 (SLH 2021).

**Five-Year Goal:** Rulemaking by 2023, Implement program and projects.

**Action Plan:** Start rulemaking process.

**Measure of Success:** Rules approved. Number of projects funded.

**Budget Impacts:** Pending release of funds.

- **SMALL BUSINESS REGULATORY REVIEW BOARD**

**MISSION:** The Small Business Regulatory Review Board (SBRRB) is governed by the Hawai‘i Small Business Regulatory Flexibility Act (RFA), Chapter 201M, HRS. The RFA’s purpose is to lessen the economic burden on small businesses and improve the State’s entrepreneurial climate.

Under the RFA, the SBRRB acts as a gatekeeper for laws affecting small businesses and as an avenue for regulatory change and complaints. Thus, the SBRRB's contribution to sustainable economic development comes from reviewing state and county proposed new and amended administrative rules impacting small business and making recommendations for a rule change to the agencies, or for legislation to the Governor, the Mayors and to the Legislature.

The SBRRB may also recommend a rule or legislative change based on any request from small business owners for the review of any rule adopted by a state or county agency.

**BUDGET REQUEST:** The SBRRB program has historically received funds for travel for the neighbor island members and limited outreach purposes.

**CURRENT ECONOMIC AND FISCAL CONDITIONS:**

Due to state restrictions limiting gatherings resulting from the pandemic, the Board meetings have been conducted remotely rather than in-person. In 2021, eleven out of twelve meetings were held; a slight improvement from 2020 when nine meetings were held.

Despite operating remotely there is a noticeable decline in attendance of small business testifiers at the monthly board meetings. As such, a strategic plan for improving upon the Board's outreach efforts to the small business community was established in fiscal 2020 and has been carried over into 2021 (discussed further under "Outreach").

**NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

○ **Review of proposed new and amended Hawai'i Administrative Rules (HAR):**

During 2021, the SBRRB reviewed approximately 50 pre- and post-public HARs of State and County agencies.

**One-Year Goal:** Continue to meet monthly to review State and County HAR and requests from small businesses for regulatory relief.

**Five-Year Goal:** Strategic plans are established annually.

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

**Measure of Success:** Number of small business participation in meetings.  
Number of pre- and post-public hearings conducted.

**Budget Impacts:** Since the pandemic, meetings held remotely have shown notably less attendance from testifiers regarding regulatory and legislative concerns from small businesses. This has prompted the SBRRB to contract with NIC Hawai'i to redesign and improve the SBRRB's existing website.

○ **Outreach:** Conferences and events scheduled for outreach purposes in 2021 were held either virtually or not at all due to the pandemic. In order to provide information to the small business community, outreach via social media platforms – Facebook, Twitter and Instagram, is being ramped up.

SBRRB brochures are mailed monthly to dozens of Hawai'i businesses, and the distribution list of its monthly e-newsletter is being increased.

In addition, the proposed NIC Hawai'i contract for the SBRRB's website entails redesigning the homepage, adding state and county department level filtering, and updating content pages and Mailchimp signup form.

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

**Five-Year Goal:** Strategic plans are established annually.

**Action Plan:** Continue to review and improve upon the Board's outreach plan, which includes weekly social media outreach, mailing of brochures and outreach efforts performed by individual board members.

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

**Budget Impacts:** Limited outreach efforts due to budget constraints.

**FEDERAL FUNDS:** NA

**NON-GENERAL FUNDS:** NA

**BUDGET ADJUSTMENTS:**

- **\$67,200 in General Funds for FY 2023:** Due to changes in the 2021 Legislative Session, the fiscal office has increased workload with the transfer of new employees. Additionally, all of the Hawai'i Tourism Authority's transactions must be pre-audited by DBEDT-Fiscal prior to submittal to the Department of Accounting and General Services.

**HAWAI'I TECHNOLOGY DEVELOPMENT CORPORATION – BED 143**

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

**BUDGET REQUEST:** The supplemental budget request reflects restoration of core grant programs funded since 2016. Due to COVID-19 pandemic, the programs were not funded in FY20 and FY21.

|                              |  |
|------------------------------|--|
| \$500,000                    | Manufacturing Assistance Program (MAP) matching grants |
| \$500,000                    | Accelerator grant program                              |
| \$1,000,000 <sup>(OBJ)</sup> | Hawai'i SBIR Phase II and III matching grant program   |

In addition, adds one temporary FTE federally funded position. A housekeeping measure to match the position count in the budget.

See the section on [notable performance](#) for program milestones and measures.

**CURRENT ECONOMIC AND FISCAL CONDITIONS:** Due to the pandemic, HTDC's top priority was to secure federal funds and competitive grant opportunities available through the American Rescue Plan Act. HTDC will spend the next year delivering on these awards. The State Small Business Credit Initiative will be the biggest with over \$62 million coming into the state over the next 7 years to provide access to capital for small businesses. HTDC is also part of a DBEDT coalition pursuing federal funds. Although many of HTDC's programs have remained virtual, they continue to provide support through their business assistance programs. Please see their highlights: [htdc.org/2021review/](http://htdc.org/2021review/)

### **NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS**

- **HTDC Sandbox:** Although COVID-19 restrictions limited large in-person events, the Sandbox had 185 members and 6,000+ visitors in 2021. The coworking remains open for members and most of the Entrepreneurs Sandbox programming continues to be delivered virtually. The Sandbox currently hosts approximately three webinars a month with relevant topics such as resume and linked-in tips, virtual job fairs, women in tech, transitioning to a tech job, and more.

ID8 Studios held their Grand Opening at the Sandbox in 2021. The Sandbox was designed as an innovation hub for tech, entrepreneurs, and creatives with the flexibility to accommodate various projects of different dimensions and now has demonstrated the ability to quickly adjust to support our urgent community needs.

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

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

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

**Measure of Success:** Full capacity and positive cashflow.

**Budget Impacts:** The Sandbox revenue and cashflow was dramatically impacted by COVID-19. Fortunately, many of the corporate partners retained their innovation offices and provided approximately 50% of the required cash to maintain operations. However, the events, activities, and coworking had been providing the other 50% of the required cash to maintain operations. This has been essentially zero since the start of the pandemic and will require at least one year to recover AFTER Honolulu reaches the advanced stages of reopening. HTDC has been using a trust fund, from a Japanese investor, to stabilize the finances until its recovery.

- **INNOVATE Hawai'i program:** In response to the pandemic, INNOVATE Hawai'i secured an additional \$850,000+ of federal funds for Hawai'i in FY 2021 through competitive federal grant opportunities from Economic Development Administration, Small Business Administration, United States Department of Agriculture, and National Institute of Standards and Technology. The funding is generally used to hire local service providers to help Hawai'i based manufacturers recover from the economic injury caused by

## COVID-19.

The following funds were awarded to the INNOVATE Hawai'i program in FY21:

- \$600,000 (EDA) E-commerce and Digital Marketing Assistance for Manufacturers
- \$125,000 (SBA) 1-year SBIR outreach and assistance (secured for third straight year)
- \$75,000 (USDA) + \$45,000 (Hawai'i and Kauai Counties) to support the Neighbor Island Innovation.

In FY20, the INNOVATE Hawai'i program started a suite of E-commerce and Digital Marketing training activities to help local businesses reach new markets. Additional EDA grant funds were secured in FY21 to ramp up this effort. This program continues and consists largely of assessing a company's needs and matching them with a local specialist.

**One-Year Goal:** Continue program.

**Five-Year Goal:** Increase funding for the program.

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

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

**Budget Impacts:** The federal government has been consistent in providing funds for manufacturing in Hawai'i. Our program has been very successful securing additional federal funding, often limited by State funds available to match. With restoration of state funds for our grant programs, HTDC will continue to pursue additional funding opportunities. The staff support for this program is a mix of federally funded and general funded employees.

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

**Due to COVID Phase II and III funds were not available this year so only Phase 0/1 awards were made.**

### Results of Phase 0/1 Awards

4 - Phase 0 Applicants Awarded  
12 - Phase 1 Applications Received  
9 - Phase 1 Applications Awarded  
3 - First-time Phase 1 Applicants  
\$2.6MM Federal Grants Awarded  
\$639k Total Match Requested  
\$362k Total Matching Grants Awarded

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

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

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

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

**Budget Impacts:** Without funding for the SBIR Phase II and III matching grant program, the amount of federal funds these companies bring into the State will decrease. 2019 was a record year for the Phase II and III SBIR program with 14 Phase II awards and 2 Phase III awards bringing \$53 million into the State. This steady increase in federal awards from the program is a direct result of the SBIR Phase II and III matching grant program started in 2017. The previous year, the companies won 12 Phase II and \$11 million. Restoration of funding for this program will result in more funding coming into the state and more jobs in these companies.

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

**Due to COVID, MAP Grant funding was not available this past year, so no grant awards were made.**

**One-Year Goal:** Seek funding and grant support for Hawai'i SBIR and manufacturing small businesses and the wrap around support services.

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

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

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

**Budget Impacts:** The program was not funded for 2021. Restoration of funding for this program in FY22 will accelerate the growth of the manufacturing sector and more jobs in these companies.

- **HCATT Programs:**  
**Due to lack of congressional-add-on funding provided for the project, the HCATT program is at risk of being suspended.** HTDC continues to work with the Department of Defense, Hawai'i Air National Guard, and the congressional delegation on a path forward.

HCATT continues working on its \$30 million, 5-year cooperative agreement contract with the U.S. Air Force Research Lab. HCATT continues to solicit federal funding from a variety of sources to diversify its income stream. HCATT currently does not receive any state funding. The program has been reduced from five full time staff to two. HCATT operates the only operational renewable hydrogen production and dispensing station on Oahu and over the years has brought more than \$40 million in federal funds into the State, matched by another \$23 million from private partners.

**One-Year Goal:** Secure funding for program.

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

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

**Measure of Success:** Federal funds brought into the state.

**Budget Impacts:** This program is entirely funded by the federal government. The federal funding has not been appropriated for the past two years so we anticipate some major program delays and may not be able to retain our remaining federally funded staff.

- **Accelerator Programs:** The Accelerator programs provide funding, mentorship, and training for startup companies. HTDC funded five accelerator programs – Blue Startups, ManaUp, Purple Mai’a, Impact Hub and XLR8HI, -- a total of \$200,000 in FY21. Each program is required to have at least a 1:1 match in order to receive funding from the State.

**Funding for the accelerator programs were not provided in FY21.** However, through a DBEDT remote work initiative partnership, funding was awarded to support the accelerators.

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

**Five-Year Goal:** Programs continue successfully.

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

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

**Budget Impacts:** The accelerator programs require state support to continue to provide opportunities for startups. The private sector carries most of the cost for these programs. Without Hawai'i accelerator programs, startups will be forced to leave the state. Funding to continue the accelerator programs is timely and will complement HTDC's SSBICI effort.

- **TRUE Initiative:** The TRUE Initiative is a technology solutions-focused collaboration between local private sector business leaders, HTDC, other State departments, and our

local universities and colleges. Housed out of the Sandbox, TRUE stands for Technology Readiness User Evaluation. The initiative seeks to tech-enable organizations and local businesses through sharing of solutions to common business challenges. The goal is to help create quality jobs and new opportunities with higher wages throughout the State for sustainable living in Hawai'i and attract kama'āina looking for opportunities to return home. The initiative operated through its second year. Progress has been slowed by the restrictions on in-person events. While the program continued virtually, the initiative relies on building stronger cross-industry professional relationships which is difficult to do virtually.

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

**Five-Year Goal:** Wide adoption from many companies.

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

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

**Budget Impacts:** This program is almost entirely funded by the private sector with only administrative and facility support provided by HTDC and the Sandbox. The program is critical to HTDC's long-term vision because it is elevating the priority for innovation in the local business community. This is the key to sustainable innovation in Hawai'i.

- **Innovation and Manufacturing Center (IMC) in Hilo:** Contractors for the Hilo project-initiated work. A project site was evaluated but determined not feasible within budget. A scaled back version of the project is being assessed.

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

**Five-Year Goal:** Complete construction and begin operation.

**Action Plan:**

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

**Measure of Success:** Positive cashflow.

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

- **Digital Currency Innovation:** Created through a partnership between HTDC and the Department of Commerce and Consumer Affairs, Division of Financial Institutions (DFI), the Innovation Lab explores digital currency innovation. During the second year of operation, 3 additional companies were added. A program website was developed. <https://www.htdc.org/digital-currency-innovation-lab/>



**The pilot has been very successful but will require new legislation to continue digital currency activities in Hawai'i.**

**One-Year Goal:** Legislation in place for new virtual currency companies to do business in Hawai'i.

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

**Action Plan:** Continue building relationships with digital currency companies.

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

**Budget Impacts:** The program to date has been operated with only staff support. New legislation will provide program revenue through fees charged to companies that will be used to spur economic development activity.

- **Maui Research and Tech Park:** The MRTC provides office space, coworking space, and workshops for the Maui tech community.
  - One-Year Goal:** Cash Flow positive. Facility at 50% capacity.
  - Five-Year Goal:** Facility at 90% capacity.
  - Action Plan:** Revamp the facility to cater to remote workers.
  - Measure of Success:** Number of new tenants and supporting workshop attendance.
- **Kaka'ako Innovation Block Plan:** The Kaka'ako Innovation Block is an innovation cluster expanding on the success of the Entrepreneurs Sandbox. The defense subcontractor sector has expressed interest in being part of this development.
  - One-Year Goal:** Leveraging partnerships and community resources to create sustainable model to help move the industry forward. Secure additional commitments from non-state sources.
  - Five-Year Goal:** Begin planning on other components of the block.
  - Action Plan:** Continue activities at the Sandbox and further relationship with UH and the private sector.
  - Measure of Success:** Non-state funds secured for the project.
  - Budget Impacts:** Reduced staff support for this project which will slow down the progress.
- **First Responders Tech Campus:** The FRTC is a technology campus for first responders located at the Mililani Tech Park. Project planning and permitting is on schedule.
  - One-Year Goal:** Project planning and permitting.
  - Five-Year Goal:** Secure partnership with agencies and begin construction.
  - Action Plan:** Contractor hired to plan.
  - Measure of Success:** Federal dollars secured for project.
  - Budget Impacts:** Reduced staff support for this project which will slow down the progress.

- Creative Industries Partnerships:** A partnership agreement with the Creative Industries Division was established to run the soundstage at the Sandbox. The ID8 Studios celebrated its grand opening in FY21.
  - One-Year Goal:** Ramp up the ID8 studios.
  - Five-Year Goal:** Fill the ID8 studios to capacity.
  - Action Plan:** Work with DBEDT CID and secure additional public/private stakeholder commitments for project.
  - Measure of Success:** Positive cashflow.
  - Budget Impacts:** Reduced staff support for this project which will slow down the progress.

## FEDERAL FUNDS:

**The HCATT program is at risk of being suspended due to lack of congressional directed funding.** HCATT is working in partnership with the U.S. Air Force Research Lab and the Hawai'i Air National Guard to design and develop micro grid stations utilizing 100 percent renewable energy.

**Federal Award Title:** Air Force Energy Security Integration and Demonstration Center Research, Development, Test, and Evaluation  
**CFDA Number:** CFDA 12.114, Contract # FA8650-15-2-5601

INNOVATE Hawai'i is starting its renewed 5-year annual contract with the US Department of Commerce's National Institute of Standards and Technology to support the Manufacturing Extension Partnership (MEP) program for FY22 through FY26. The program provides direct consulting assistance to manufacturers and administers the MAP and SBIR matching grant programs. Because of the program's outstanding performance, NIST has **increased the contract to \$709,000 annually**. The federal funding requires an in-kind match that HTDC is providing by leveraging the funds received to support the MAP and HSBIR grant programs. INNOVATE Hawai'i is also in its final year of its 3-year \$1,000,000 award for an apprenticeship program for Hawai'i manufacturers. The metrics above demonstrate the importance of the INNOVATE Hawai'i program in saving jobs and creating new jobs.

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

**Federal Award Title:** HTDC INNOVATE Hawai'i NIST MEP CAP – Smart Talent  
**CFDA Number:** CFDA 11.611, Contract # 70NANB18H233

In 2021, HTDC received a \$125,000 federal grant from the U.S. Small Business Administration to expand the SBIR program participation on the Neighbor Islands.

**Federal Award Title:** FY 2021 Fast Partnership Program  
**CFDA Number:** CFDA 59.058, Contract # SBAOIIFT200019-02-00

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

**BUDGET ADJUSTMENT:**

- **Add 1 Temporary FTE MEP Project Engineer.** This position is 100% federally funded and no funds are included in this request. Federal Funding for the MEP program was increased so a MEP Project Engineer was hired to manage projects in HTDC's Innovate Hawai'i Program. This is a housekeeping measure to update the position count in the budget.
- **\$500,000 in General Funds for FY 23 for Accelerator Program:** The accelerators in Hawai'i are still in their early formation and need financial support to provide the necessary training to equip young entrepreneurs for success. Hawai'i's accelerator programs have received national recognition for their programs and achievements. These accelerators support early-stage, growth-driven companies in Hawai'i through education, mentorship, and seed funding. The accelerator experience for these startup companies is a process of intense, rapid, and immersive education aimed at accelerating the life cycle of young innovative companies, thereby potentially improving startups' outcomes. This program is essential to compliment the \$62 million federal State Small Business Credit Initiative that HTDC will be implementing this year.
- **\$1,000,000 in General Funds for FY 23 for Hawai'i Small Business Innovation Research Program Phase II and III:** Hawai'i small businesses have been nationally competitive in securing SBIR phase I and II grants due in large part to the existing Hawai'i SBIR matching grant program. SBIR companies in Hawai'i support high wage jobs where nearly 50% staff earn more than \$100,000 annually. The existing Hawai'i SBIR program has a successful track record attracting over 20 federal dollars for each state dollar. The Hawai'i SBIR matching grant program is critical for the development of Hawai'i's high tech industry. Without the grant, businesses are falling short of the goal of getting their product to market due to lack of follow-on funding. The grant funding helps to: 1) fully develop a commercial product; 2) secure additional investment from joint venture, angel and venture funding; and 3) manufacture and sell their products.
- **\$500,000 in General Funds for Manufacturing Assistance Program:** The Manufacturing Assistance program was signed into law by Governor Ige in June 2015. The goal of the program is to reduce the need to import consumer products and make Hawai'i companies more competitive in the global market by increasing manufacturing in Hawai'i. Hawai'i's manufacturing companies export products throughout the world, where Made in Hawai'i products are desired globally. Manufacturers in Hawai'i are challenged to compete because of the high cost of electricity and shipping. The grant program provides funding for businesses to expand by helping with the cost of purchasing equipment, becoming energy efficient, training employees on the use of the equipment, and conducting feasibility studies for new facilities. The support helps Hawai'i manufacturers become more efficient and competitive, allowing them to scale its operations for local and/or international production.

## **OFFICE OF PLANNING AND SUSTAINABLE DEVELOPMENT – BED 144**

**MISSION:** The Office of Planning and Sustainable Development’s (OPSD) mission is to guide the overall growth and development of the State of Hawai’i through a statewide comprehensive planning framework. OPSD prepares plans and studies, conducts policy analysis, and facilitates the formulation of state policies and strategies. OPSD consists of eight programs that collaborate with local, state and federal government agencies, academia, and community stakeholders to provide research, data and policy guidance to support an integrated statewide planning system. Collaboration allows for broad community input in meeting OPSD’s mission and responsibilities. OPSD’s eight programs and six boards are organized under four main areas: Land Use Division; Planning Division; Environmental Review Program; and Land Use Commission. The latter two which were just transferred to OPSD during the 2021 Legislative Session.

The **Land Use Division** is composed of two programs: the **Land Use Review** program and the **Transit-Oriented Development (TOD)** program. The Land Use Review staff coordinates with state agencies and prepares the State’s position before the State Land Use Commission to promote sustainable use of limited state resources such as land, water and infrastructure facilities. The Transit-Oriented Development staff supports the TOD Council which has 25 members from federal, state, county and the private sector with a common goal of removing barriers to developing TOD communities throughout the state.

The **Planning Division** includes the Hawai’i Coastal Zone Management (CZM) Program, Hawai’i Geographic Information System (GIS) Program, the Special Plans Branch and the Sustainability Branch. The **CZM Program** guides and facilitates activities for the effective management, beneficial use, protection, and development of the coastal zone. The **GIS Program** leads the State’s effort to establish, promote, and coordinate the use of GIS technology and improve data-driven government decision-making. The **Special Plans Branch** conducts comprehensive, strategic and regional planning under the Hawai’i State Planning Act, HRS Chapters 225M and 226 and collaborates on five-year updates to the Comprehensive Economic Development Strategy (CEDS). The **Statewide Sustainability Branch was established by Act 45, SLH 2020**, to ensure stronger, long-term planning, coordination, and implementation of Hawai’i’s sustainability and climate goals; and update and affirm the role of the OPSD to coordinate among state agencies regarding climate change adaptation and sustainability.

The **Environmental Review Program (ERP)** formerly the Office of Environmental Quality Control, was established to provide a system of environmental review that will ensure that environmental concerns are given appropriate consideration in decision making along with economic and technical considerations. The office was transferred to OPSD by **Act 152 (SLH 2021)**. The ERP staff publishes an online bulletin of environmental assessments (EA) and environmental impact statements (EIS); advises and provides assistance throughout the environmental review process to applicants, state and county agencies, and public; reviews and

comments on EAs and EISs; provides technical and administrative support in all matters for the Environmental Advisory Council; and provides research and interpretation of environmental practices in support of the **Environmental Advisory Council**.

The **Land Use Commission** (LUC) was attached to OPSD for administrative purposes by **Act 153 (SLH 2021)**. The LUC was established in 1963 to allocate the lands of the state to the uses for which they are best suited. Chapter 205, as amended, governs the role of the nine-member commission who serve as volunteers. The LUC maintains its independence on matters coming before it to which OPSD is a party.

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

- Chair of the **Greenhouse Gas Sequestration Task Force** (GHGSTF) pursuant to HRS § 225P-4, which is tasked with establishing a baseline for greenhouse gas emissions within Hawai'i and short- and long-term benchmarks for increasing greenhouse gas sequestration in the State's agricultural and natural environment.
- Co-chair (with the Hawai'i Housing Finance and Development Corporation) of the **Hawai'i Interagency Transit-Oriented Development (TOD) Council** charged with planning and facilitating collaboration between the state and counties on smart growth and TOD initiatives.
- Co-chair (with the Department of Land and Natural Resources (DLNR)) of the **Hawai'i Climate Change Mitigation and Adaptation Commission (Climate Commission)**, established under HRS § 225P-3.

#### **NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

- **Coastal Zone Management – Federally Funded Program**
  - **Ocean Resources Management Plan (ORMP):** The ORMP sets forth the guiding principles and recommendations for the State to achieve comprehensive and integrated ocean and coastal resources management. HRS § 205A-62, charges the CZM Program with the review and periodic update of the ORMP, as well as coordination of the overall implementation of the plan. The ORMP is an integrated, place-based approach to management of ocean resources in the island, based on recognition of the ecological connection between the land and sea, the link between human activities and their impact on the environment, and the need for improved collaboration and stewardship in natural resources governance.

OP accomplished the 2021 goal to coordinate implementation of the 2020 ORMP. The final report incorporates Traditional Ecological Knowledge (TEK) and highlights three areas: Development and Coastal Hazards, Land-Based Pollution, and Marine Ecosystems.

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

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

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

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

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

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

OP partially accomplished the 2021 goal to complete the integration of tsunami design zone maps for a portion of Maui into the ASCE Tsunami Hazard Tool and facilitated application into Maui's building codes to strengthen resilience of critical infrastructure for the island of Maui and obtained additional competitive grant funding to complete Maui's mapping and initiate mapping for Kauai.

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

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

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

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

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

- **Statewide Sustainability Branch**

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

**One-Year Goal:** Completed report and publicized in 2019. Follow up activities to implement the report.

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

**Action Plan:** Collaborate with DOH, DOA, and DLNR on incentivizing GHG sequestration. Discussions underway to develop a “Carbon Positive Incentive Program” to potentially provide financial incentives and subsidies to local large natural landowners, farmers, and ranchers to sequester GHGs via regenerative agricultural and ranching practices and sustainable land management practices. Policy determinations need to be decided to ensure both DLNR and DOA, and other state agencies as appropriate, can equally participate and distribute “carbon positive incentives” subsidies to Hawai‘i’s land managers to sequester GHGs statewide and increase GHG/”carbon” sinks.

**Measure of Success:** Reduction of greenhouse gas emission and increase of greenhouse gas sequestration via DOH GHG Emission Inventory Report and other reporting to the Greenhouse Gas Sequestration Task Force.

**Budget Impact:** The OPSD’s Statewide Sustainability Branch has requested in the FY 2022-2023 Supplemental Budget the funding for 4 FTE, to be funded and created within the Statewide Sustainability Branch to permanently support the State’s Sustainability goals.

- o **Hawai‘i 2050 Sustainability Plan:** Act 146, SLH 2019, (codified as HRS §226-65 within the Hawai‘i State Planning Act) added new language clarifying that the newly updated Hawai‘i 2050 Sustainability Plan “shall serve as the State’s climate and sustainability action plan.” The Hawai‘i 2050 Sustainability Plan was completed and published in June 2021. An online and interactive version of the plan is also available online at: <https://hawaii2050.hawaii.gov/interactive>. The Plan embraced the United Nations’ 2030 Sustainability Development Goals as

the decennial framework while aligning the Aloha+ Challenge and the various sustainability and climate statutory targets, policies, plans, and initiatives to provide a vision and over 262 recommended actions within 38 strategies and 8 focus areas to achieve within the 2020-2030 “Decade of Action,” to maintain the State’s progress and direction toward Hawai’i’s equitable, climate resilient, and sustainable future.

**One-Year Goal:** OPSD intends to provide statewide coordination to assist the various state agencies to implement the goals and actions in the 2020 – 2030 Update to the Hawai’i 2050 Sustainability Plan as required by HRS §226-65. Initial actions are to distribute the update and revision of the Hawai’i 2050 Sustainability Plan to policy makers, state and county agencies, and private and non-governmental stakeholders, and begin incorporating the guidance set forth by the Hawai’i 2050 Sustainability Plan in various climate change, environmental, and land use planning and reviews.

**Five-Year Goal:** OPSD will continue work towards the statewide implementation of the Hawai’i 2050 Sustainability Plan. OPSD’s Statewide Sustainability Branch intends to conduct a 5-year review of the Hawai’i 2050 Sustainability Plan (2020-2030) update in 2026, to ensure the plan’s progress toward achieving recommended actions. This review will provide an analysis of accomplishments through the UN’s “Decade of Action” to ensure the State of Hawai’i continues in its progress in achieving Hawai’i’s sustainability and climate-resilient statutory targets.

**Action Plan:** Implementation of the Hawai’i 2050 Sustainability Plan. OPSD’s Statewide Sustainability Branch intends to provide annual measurement reports identifying progress or areas which need improvement, if provided the appropriate staffing. OPSD’s Statewide Sustainability Branch intends to conduct a 5-year review of the plan in 2026. OPSD anticipates beginning the planning process for the 2030-2040 decennial update in late 2028 for publication by 2030.

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

**Budget Impacts:** The OPSD’s Statewide Sustainability Branch has requested in the FY 2022-2023 Supplemental Budget the funding for 4 FTE: 2 Sustainability and Climate Specialists, and 1 Sustainability Planner V, and one Greenhouse Gas Sequestration Specialist, to be funded and created within the Statewide Sustainability Branch to permanently support, coordinate, and assist state and county agencies, the private sector, non-governmental organizations, and the people of Hawai’i to



implement the recommended actions and the State’s sustainability and climate legal and statutory targets.

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

**One-Year Goal:** OPSD plans to continue to host six GHGSTF meetings in 2022 and develop recommendations to align the State’s greenhouse gas emission reduction and carbon sequestration efforts. OPSD anticipates publishing the GHGSTF’s major Preliminary Report in December 2022 to meet the requirements set forth by HRS §225P-4.

**Five-Year Goal:** With increased staffing requested in the FY 22-23 Supplemental Budget for 1 FTE Greenhouse Gas Sequestration Specialist, OPSD plans to continue to host GHGSTF meetings, coordinate statewide greenhouse gas sequestration in alignment with statewide greenhouse gas emission reduction goals, support “carbon positive incentivization” financial subsidies for sustainable land management and regenerative farming and ranching practices, and publish annual reports on the progress of the GHGSTF beginning in 2024.

**Action Plan:** Frequent and current GHGSTF meetings, major preliminary reporting by 2023, annual reporting beginning in 2024, and the continued coordination and collaboration with managers of working and natural lands.

**Measure of Success:** Increase in sequestration of greenhouse gases through improved soil health and regenerative land management practices through carbon sink reporting via the DOH’s Greenhouse Gas Emission Inventory Annual Reports.

**Budget Impact:** The OPSD has requested in the FY 2022-2023 Supplemental Budget the funding for 1 FTE, a Greenhouse Gas Sequestration Specialist, to be funded and created within the Statewide Sustainability Branch to permanently support the State’s Greenhouse Sequestration Task Force and assist state partner agencies on goals to sequester greenhouse gas emissions statewide.

- **Land Use Planning:**

- **State Land Use Review of Districts:** The OPSD completed a draft report of the boundary review required by HRS § 205-18 which calls for the “review of the classification and districting of all lands in the state.” The draft report was distributed to state and county agencies and made available to the public on the OPSD website. A presentation of the review findings was made to the State Land Use Commission in November 2021. The review focuses on the consistency of the district boundaries with county plans for urban growth, and on the Agricultural District which has experienced the most changes in land use over the past few decades.

**One-Year Goal:** Complete and submit the final Boundary Review report to the Governor, Legislature, State Land Use Commission, counties, and the general public. Proceed with further discussion of approaches to resolving land use issues identified to the extent possible given limitation of staff and funding.

**Five-Year Goal:** Collaborate with state, county, and landowners to implement actions including legislation as deemed necessary. Initiate the boundary review in keeping with the original intent to conduct a review of the land use districts every five years, subject to staff capacity or funding to undertake the review.

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

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

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

- **Act 278 Study of Subdivision and CPR on Agricultural Lands on Oahu.** The OPSD has undertaken the following:
  - i. Completed and submitted its report prepared pursuant to Act 278, SLH 2019 regarding land subdivision and condominium property regime (CPR) laws related to agricultural land on Oahu (December 2020).
  - ii. Supported Act 278-related legislation introduced in 2021 by Senator Gabbard and Representative Tarnas, resulting in Act 77 (2021) which allowed expanded county review and comments on CPRs, and bolstered county enforcement on leasehold agricultural subdivisions.
  - iii. Expanded the Stakeholders Group to include Neighbor Island counties and held three meetings from August to October 2021.
  - iv. Discussed potential expansion of the State Rural District with all county planning departments and LUC staff.

**One-year Goal:** Seek funding to engage consulting services to guide interagency collaboration and revisions to State Rural District Policy, along with a feasible process to expedite redistricting from the Agricultural to the Rural District.

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

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

**Measure of Success:** Enactment of legislation to better define farm dwellings and expand use of the Rural District.

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

- **State Transit-Oriented Development (TOD):** The OPSD-prepared the *State of Hawai'i Strategic Plan for TOD (Aug 2018)*, including over 65 proposed TOD projects on State and county lands Statewide. The Plan has continued to evolve with the undertaking of master plans and the addition of new projects endorsed by the TOD Council.

In 2020, OPSD completed the *State TOD Planning and Implementation Project for the Island of Oahu* which sets forth the infrastructure and investment needs and financing strategy to enable development of planned State TOD projects in three priority regions along the rail line on O'ahu – East Kapolei, Halawa-Stadium, and Iwilei-Kapālama. TOD Council affordable housing and infrastructure work groups were formed to assess priorities.

The OPSD issued a request for proposals in August 2021 for an Infrastructure Finance Study including a finance consultant to explore infrastructure financing and value capture options for a TOD Pilot Area in each county (\$500,000). Selection of a finance consultant is expected in January 2022.

**One-Year Goal:** Award the Infrastructure Finance Study and initiate project work for the TOD Pilot Areas and education on value capture options which could include future legislative recommendations. Use the 2020 TOD Implementation Plan report to help prioritize funding of TOD project and regional infrastructure capital improvement project needs.

**Five-Year Goal:** Undertake a comprehensive review of the State TOD Strategic Plan to assess progress, objectives and revise strategies as needed for improved implementation, including review of the role and responsibilities of the TOD Council.

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

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

**Budget Impacts:** Funding is through the State CIP fund resources.

Curtailment of TOD funding will diminish the prospects for implementation of TOD project planning and infrastructure development.

- **OPSD TOD CIP-Funded Projects.** During the past year, OPSD has worked on awarding a total of \$3 million in TOD CIP Planning Funds appropriated by the Legislature in 2020 and 2021 to implement TOD projects in the *State Strategic Plan for Transit-Oriented Development*. The primary purpose of the funds is to jumpstart master planning or infrastructure assessment work that is critical to advancing State and county TOD projects in proximity to transit nodes—with particular emphasis on projects that require multi-agency cooperation and collaboration and meet State TOD objectives and principles in the *State TOD Strategic Plan*.

FY21 TOD CIP funds (\$1.5 million) were awarded to the four projects listed below. Consultants have been selected and contracts are pending for all projects, and projects are expected to get underway once contracts are executed in the next month or so. OPSD will be managing the two County project contracts.

1. Lanakila Homes/County of Hawai'i Multi-Modal Transportation Project, Hilo, Hawai'i (Hawai'i Public Housing Authority (HPHA) and County of Hawai'i) \$550,000.
2. West Maui TOD Corridor Plan, Lahaina to Kaanapali, Maui (County of Maui), \$500,000.
3. Līhu'e Civic Center Mobility Plan, Līhu'e, Kaua'i (County of Kaua'i) \$250,000.
4. Integrated Kahului Library/Kahului Mixed-Use Civic Center Complex, Kahului, Maui (Hawai'i State Public Library System and Department of Accounting and General Services) \$200,000.

Of the \$2 million in FY22 TOD CIP funds appropriated to OPSD by the Legislature in 2021, \$1.5 million was awarded to the six TOD projects below, and \$500,000 will fund an OPSD TOD Infrastructure Finance Study mandated by a budget proviso in Act 88, SLH 2021. Funds for the two OPSD-County contracts have been released and contracts should be executed in December. OPSD-State expending agency agreements for the delegation of funds to State project recipients will be executed upon their respective board approvals in December and January 2022.

1. Līhu'e Civic Center Redevelopment Plan, Līhu'e, Kaua'i (County of Kaua'i) \$350,000
2. UH-West O'ahu Non-Campus Lands Urban Design Plan Update, O'ahu University of Hawai'i – West O'ahu (UHWO) \$125,000
3. East Kapolei TOD Conceptual Urban Design Plan, O'ahu (Department of Land and Natural Resources) \$300,000
4. Kahekili Terrace Housing Master Plan, Kahului, Maui (Hawai'i Public Housing Authority) \$225,000

5. Puuwai Momi Housing Redevelopment Master Plan, Halawa, O'ahu (Hawai'i Public Housing Authority) \$400,000
6. Pāhoa Transit Hub Site Selection and Planning, Pāhoa, Hawai'i (County of Hawai'i) \$100,000

An RFP has been issued for the TOD Infrastructure Finance Study. Proposals are due December 29, 2021. Contract execution is anticipated in March 2022, with the project commencing thereafter.

**One-Year Goal:** Participate in all projects awarded OPSD TOD CIP fund to ensure that state and county collaboration around State TOD objectives and principles are advanced in each project and that projects stay on schedule and result in impactful deliverables. Seek continued appropriations for TOD CIP funds to seed TOD projects which can help with economic revitalization and the development of affordable housing within mixed-use communities.

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

**Action Plan:** Finalize Memoranda of Agreement and contractual and funding disbursement arrangements with lead project agencies; participate in project planning and monitor project progress and deliverables for timely completion. Share best practices among projects to expand implementation of TOD principles and to deepen collaborative relationships among state and county agencies.

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

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

- **Hawai'i Brownfields Cleanup Revolving Loan Fund Program:** The Hawai'i Brownfields Cleanup Revolving Loan Fund Program (HBCRLF) program was seeded by a \$2 million grant from the U.S. EPA in 2005. The HBCRLF program was established by Act 173, SLH 2002 and codified as HRS § 201-18(e). The HBCRLF program provides low- and no-interest loans to eligible public and private entities to cleanup brownfield sites where economic or community development projects show the greatest need, exhibit long-term project viability, and demonstrate the capacity for repayment. The program is currently operating under a closeout agreement with the U.S. EPA, which governs the type of brownfields activities eligible for HBCRLF funding and eligibility requirements for borrowers.

In the 2021 Legislative Session, the Legislature passed Administration bill SB 1054, SD 2 (Act 234, SLH 2021), to allow HBCRLF funds to be used for grants as well as loans for cleanups and grants for brownfields site assessment activities in alignment

with the EPA Closeout Agreement. Act 234 will enable greater flexibility and meet the demand for HBCRLF funds for grants to eligible parties and sites.

**One-Year Goal:** OPSD will prepare amendments to the HBCRLF rules to allow for grants for cleanup and brownfields site assessment activities. Once the rule amendments are approved by the Governor, OPSD will issue a HBCRLF grant funding opportunity notice inviting grant applications. Grant funding will be disbursed in FY 2022 and 2023 to eligible projects and recipients selected for funding, based on fund availability. OPSD anticipates awarding grants to at least two projects in the first year of the grant program.

**Five-Year Goal:** OPSD will work with DOH in overseeing the conduct and completion of brownfields cleanup activities at recipient sites until all funded activities are completed in compliance with U.S. EPA brownfields funding requirements. OP will operate the loan and grant program in collaboration with the DOH HEER Office and U.S. EPA to expend the balance of HBCRLF. Once all HBCRLF-funded cleanup activities have been completed and DOH has issued no further action letters, OPSD will seek legislation to repeal HRS § 201-18(e), close the special fund, and end the HBCRLF program.

**Measure of Success:** Cleanups and completion of brownfields site assessment activities at recipient sites that enable reuse of the sites that is protective of public health and safety. Closure of the HBCRLF program.

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

- **GIS Program**

- **GIS Support for Emerging Issues.**

- **GIS Support during COVID-19:** The Statewide GIS Program provided staff support to Hawai'i Emergency Management Agency (HI-EMA) to develop multiple data sets, maps, dashboards, and a consolidated hub website related to the state's response to COVID-19. The Program also provided resources to the Hawai'i Tourism Authority for its interisland travel initiative to track airline passengers between islands and monitor their compliance with quarantine restrictions. In addition, the Statewide GIS Program assisted the Office of Enterprise technology Services (ETS) with its transpacific Safe Travels application by facilitating access to traveler and daily quarantine check-in data by appropriate county and state enforcement agencies using a GIS platform common to the state and counties. The Program provided staff support to the Hawai'i Department of Health (DOH) as it worked to integrate data from various data sources (VAMS, Tiberius, etc.) to track vaccine distribution and administration.

- **Navy Water System Incident GIS Support:** The Statewide GIS Program is providing staff support to DOH in its investigation and response to the

petroleum product contamination of the ground water at Red Hill. GIS is being used to geocode and maintain data related to caller concerns and water sample results. In addition, data from the Statewide GIS Program was combined with other data to perform analysis and to create static and interactive maps for internal use. Publicly available maps will be available soon, once confidential and personally identifiable information are scrubbed from the data sets.

- a. **Strategic Plan for Statewide GIS Program:** The Statewide GIS Program leads a multi-agency effort to establish, promote, and coordinate the use of geographic information systems (GIS) data and technology among Hawai'i State Government agencies. The listening sessions with federal, State, county, and private sector stakeholders provided valuable feedback and input into current and future priorities of the program.

**One-Year Goal:** Draft an updated Strategic Plan for the Statewide GIS Program to build on its strengths and identify areas for improvement to address the needs and concerns of the GIS stakeholders.

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

**Action Plan:** The Strategic Plan will set the priorities for the Program and include goals and intermediate objectives and activities. GIS staff will implement the activities and elements of the approved Strategic Plan.

**Measure of Success:** Specific milestones and activities of the Strategic Plan will include measurable objectives that will be tracked.

**Budget Impacts:** Future budget requests may be needed to support elements of the Strategic Plan if additional staff or resources are called for. Conversely, if staffing is reduced, the ability to implement the Strategic Plan will be severely affected and will require revision of the plan. Drafting of the Strategic Plan will be completed in FY 2022 using existing staff resources.

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

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

**Five-Year Goal:** Establish a regular meeting schedule with AGOL Liaisons and work with them to implement changes in publishing and management of users and content. In collaboration with AGOL Liaisons

develop additional guidance to address future changes in the platform as they arise.

**Action Plan:** Work with AGOL Liaisons to implement elements of consultant recommendations: revise user roles; revise publishing protocols; empower and train AGOL Liaisons. Regularly solicit feedback from GIS community regarding issues or concerns with changes in the platform.

**Measure of Success:** Vetted data and applications from agencies (for content, context, and accuracy); reduced amount of storage required for user content; and reduced number of inactive users.

**Budget Impacts:** This effort relies heavily on OPSD's three-person GIS Program staff to administer the online platform and to coordinate with the AGOL Liaisons. If there are staff reductions that affect the GIS Program, agencies will be asked to take on more management of their online platform.

- c. **Geoplatform Management:** During FY 2023, OPSD will work with agencies to expand governance guidance and operational standards from the AGOL online platform to include desktop and server GIS platforms.

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

**Five-Year Goal:** Establish a representative GIS key stakeholder Advisory Hui to provide two-way communication channels among agency users. Develop State geoplatform governance standards.

**Action Plan:** Work with ETS to standardize and to conduct the annual GIS software inventory and negotiate GIS licensing and data hosting agreements. Work with agencies to manage and maintain server and desktop licensing as well as their use of the online AGOL platform. Establish a regular meeting schedule with the Advisory Hui; develop plans to address licensing and hosting requirements in advance of need.

**Measure of Success:** Year-to-year increase in the ArcMap and ArcGIS Pro installed user base. A smoother EA renewal process, secured earlier in the year. Earlier awareness by Statewide GIS Program of agency licensing plans and needs.

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

- d. **Develop Memoranda of Understanding/Agreement with Agencies Around Data Sharing and Governance.** OPSD plans to develop memoranda of understanding/memoranda of agreement (MOUs/MOAs) with State and county agencies to provide



a framework for consistent and reliable data sharing and data security, as well as MOUs/MOAs with state agencies to memorialize a comprehensive governance framework around the geospatial platform.

**One-year goal:** Execute an MOA with the Office of Enterprise Technology Services (ETS) to establish roles and responsibilities – ETS for funding the enterprise licensing agreement and cloud hosting environment, and OPSD for administering and managing the enterprise GIS platform.

**Five-year goal:** Execute MOUs with state and county agencies to establish regular updates of key data sets and document access and use constraints. Schedule regular periodic calls/meetings with ETS to discuss geoplatform concerns and issues.

**Action Plan:** Work with ETS' IT Governance office to develop an MOA; work with stakeholder agencies to identify data sets that can be shared in the state's geodatabase and develop MOUs to formalize data sharing agreements.

**Measure of success:** An executed MOA with ETS; and increasing number of MOUs with agencies (and a corresponding increase in shared data sets).

**Budget Impacts:** The management of the enterprise GIS relies on active engagement of staff in the day-to-day operations of the geoplatform. In addition, the data sharing MOUs require significant effort by staff to manage and curate shared agency data. If there are position reductions that affect the GIS Program, the ability to honor the commitments made in the MOAs and MOUs may be negatively affected.

- e. **Establish a Distributed/Federated System of GIS Servers and Data:** OPSD plans to develop a distributed/federated geoplatform architecture (geodatabases and hubs/portals) and develop a governance plan to manage the proliferation of geospatial data and applications in a distributed fashion. The federated architecture is expected to be in the Statewide GIS Strategic Plan.

**One-year goal:** Develop a comprehensive plan to learn more about the requirements (hardware, software, skill sets) for establishing and maintaining a federated GIS server environment.

**Five-year goal:** Establish an architecture supporting multiple agencies' GIS servers federating their geodatabases in ETS' Government Private Cloud (GPC).

**Action Plan:** Work with Esri and ETS to design a sustainable, distributed GIS server architecture to accommodate agency on-premise server needs and establish a best practice governance framework for managing this environment.

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

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

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

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

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

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

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

**Budget Impacts:** No additional (non-personnel) funds are being sought. ROI justification may support future budget requests that leverage investment in “profitable” or successful activities or resources.

- **Environmental Review Program**

**Act 152, SLH 2021**, transferred the Office of Environmental Quality Control from the Department of Health (DOH), and renamed it as the Environmental Review Program (ERP), within OPSD. **The ERP staff facilitates Hawai’i’s environmental review system (commonly known as HEPA); produces and publishes the bi-monthly bulletin of environmental assessments (EA) and environmental impact statements (EIS); advises and provides assistance throughout the environmental review process to applicants, State and county agencies, other various stakeholders, and the public; and reviews and comments on EAs and EISs. Staff also provides technical and administrative support in all matters for the Environmental Advisory Council including research and interpretation of environmental practices in support of the Council.**

**One-Year Goal:** Continue to publish the Environmental Notice two times a month to provide the public with environmental impact information on proposed state and county projects. Continue to provide training to state and county agencies and the public on Environmental Impact Statement Rules and provide comments on draft EA/EIS.

**Five-Year Goal:** Assist various stakeholders (agencies, accepting authorities, applicants, consultants, legislators, and members of the public) with the environmental review process.

**Action Plan:** Complete the transfer of over 7000 Environmental Assessments and Impact Statements from Department of Health to the Office of Planning and Sustainable Development. Restore the Planner V position to implement Chapters 341 and 343.

**Measure of Success:**

- % of EA/EIS Published for public notification on time/as scheduled.
- % of Consults on environmental issues response to Governor/Legislature on time.
- % of Increase in readership/circulation of The Environmental Notice.
- % of Submitted environmental review documents that were critically reviews/commented.
- # of EA/EIS reviewed.
- # of Consultations on environmental issues requested by Governor/Legislature.
- # of Environmental education projects & workshops conducted.
- # of Subscribers to The Environmental Notice.
- # of Exemption lists reviewed/concurred by the Environmental Advisory Council.

**Budget Impact:** The Planner V (#34588) is an existing position that is currently unfunded due to a hiring freeze and loss of funds, but it is critically important. The Supplemental Budget Request asks that the funds for the position be restored.

If the Planner V position remains unfunded, the Program will not be able to perform all of its statutory functions jeopardizing many ERP programs specified in Chapter 343, HRS. The ERP is still currently operating with only three staff to meet statutory requirements including publishing *The Environmental Notice* and providing staff support to the Environmental Advisory Council.

- **Special Plans Branch (SPB).** The branch is tasked with carrying out the functions of OPSD related to statewide planning under the Hawai'i State Planning Act. The SPB conducts statewide planning and coordination, as well as policy analysis to address critical areas of concern affecting the direction, rate and character of growth (primarily land use and economic growth). The activities of the SPB include statewide integration of sustainability goals and objectives. The SPB conducts the five-year update of the Comprehensive Economic Development Strategy (CEDS) which is required by Congress for government and non-profit agencies to be eligible to apply for economic development grants from the U.S. Department of Commerce, Economic Development Administration. CEDS-enabled eligibility is critical due to the increase in ARPA and

Infrastructure grant programs appropriated to EDA by Congress to address the COVID-19 economic impacts.

- **The Comprehensive Economic Development Strategy (CEDS).** The CEDS is a federally funded strategy-driven plan for regional economic development. The CEDS provides a blueprint for economic development throughout the State. OPSD served as the Hawai'i state planning lead for the CEDS since 2002. The CEDS is updated every five years and mandated by Congress and the Economic Development Administration (EDA). Between updates, OP reviews applications for EDA grants submitted by Hawai'i government agencies and nonprofits and provides letters confirming consistency with the current CEDS.

**One-Year Goal:** Complete the CEDS Update and start the Hawai'i Economic Recovery & Resilience (HIERR) Plan.

**Five-Year Goal:** Apply for EDA grant to support the next five-year CEDS Update and complete the HIERR Plan and support implementation of the focus-area actions.

**Measure of Success:** Enable Hawai'i's government and non-profit agencies to be eligible to apply for federal funds to support sustainable and resilient economic development programs and facilities.

**Budget Impact:** This program is needed to manage the CEDS and other EDA grants to support applications for federal funds for economic development projects.

- **EDA American Recovery Act Plan Grant (ARPA)– Statewide Planning Program.** Hawai'i received \$1 million in funds for the statewide planning program that was awarded by the EDA to assist communities in their efforts to build back better by accelerating the economic recovery from the coronavirus pandemic and building local economies to be resilient to future economic shocks.

**One-Year Goal:** Complete project set-up with two federally funded positions to manage the grant and convene a steering committee and cross-sector groups already working on focus-areas identified in the EDA approved scope of work.

**Five-Year Goal:** Complete the Hawai'i Economic Recovery & Resilience (HIERR) Plan and submit to the Economic Development Administration for acceptance.

**Action Plan:** Work with focus-area stakeholders to develop a work plan for actions and facilities to support a more equitable and resilient economy.

**Measure of Success:** Hawai'i's economy recovers from the COVID-19 pandemic and becomes more resilient, equitable and sustainable.

**Budget Impact:** The Special Plans Branch Manager position is vacant and unfunded due to the hiring freeze and COVID-19 general fund reductions. The incumbent was appointed to serve as OPSD director with return rights to the position at the end of her appointment in 2022. The

incumbent has requested to exercise her return rights at the end of her current appointment. The position is needed to manage emergent issues as assigned by department head, governor, and the legislature, in addition to securing federal EDA funds for the CEDS and other economic development planning grants.

- **Land Use Commission – BED 144DA**

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

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

**CURRENT ECONOMIC AND FISCAL CONDITIONS:** LUC's share of DBEDT's B&F general funds restriction creates hardships on the Commissions ability to hold public hearings and contested case hearings. Virtual platforms have been used to continue to hold hearings in a method that allows for transparency and participation by the general public. This cost savings measure will be limited going forward. Under recently passed legislation, the LUC will have to provide and staff rooms on neighbor islands for petitions on those islands to allow for general public participation. It is also anticipated that many hearings will be held in person in the next fiscal year. Significant increases in travel costs will result in financial challenges.

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

- **Petition Processing:** The LUC will be able to continue to meet all long- and short-term goals in the approval of these matters. The LUC has also been able to meet all of its projected goal with regard to Boundary Interpretations, Special permits and Important Agricultural Lands petitions, allowing the Counties to

process and issue construction permits for over 1,200 small projects. The estimated economic impact of the LUC this fiscal year was:

- Minimum Direct Development Investment of over \$1 billion;
- Post Development Economic Activity exceeding \$300 million;
- 1,570 direct construction jobs exceeding \$600 million in wages;
- Offsite and Post development economic activity exceeding \$350 million;
- 484 acres of Industrial lands approved for construction; and
- 200 hotel rooms approved.

**One-Year Goal:** Reduce the time for response to boundary determinations.

**Five-Year Goal:** Continue to streamline process.

**Action Plan:** Digitize archive materials. Update and modify the LUC website.

**Measure of Success:** Increase in number of petitions handled annually.

**Budget Impact:** Staffing and hearing capabilities must be maintained.

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

**One-Year Goal:** Complete Petition by the City and County for O’ahu designation.

**Five-Year Goal:** Complete Maui County and Hawai’i County Petitions.

**Action Plan:** N/A

**Measure of Success:** Completion of designation process

**Budget Impact:** Staffing and Hearing capabilities must be maintained.

- **Special Permit Applications:** Various infrastructure projects such as the expansion of the Honouliuli wastewater treatment plant and continued operation of various public and private landfills, and quarrying operations to supply materials for road building and construction. Over 484 new acres of commercial and industrial lands were approved.

**One-Year Goal:** Complete processing of filed petitions.

**Five-Year Goal:** Continued processing of filed petitions.

**Action Plan:** N/A

**Measure of Success:** Completion of petitions.

**Budget Impact:** Staffing and hearing capabilities must be maintained.

- **Affordable Housing:** LUC activities are focused on approval and enabling of large and medium scale construction and housing projects to stimulate the construction industry and further the state inventory of affordable and market rate housing. This past fiscal year, over 1,150 affordable homes and 4800 market rate homes were approved.

**One-Year Goal:** Complete filed petitions within required time frames.  
**Five-Year Goal:** Complete filed petitions within required time frames.  
**Action Plan:** Work directly with petitioners to ensure a fair but expedited process.  
**Measure of Success:** Decrease in affordable housing shortage.  
**Budget Impact:** Staffing and hearing capabilities must be maintained.

- **Energy Projects:** The LUC is also responsible for the approval of Solar Projects on class A, B&C rated lands. Over 65 Megawatts of power were approved this year.  
**One-Year Goal:** Expedite processing of Solar permits.  
**Five-Year Goal:** Continued processing of permits in an expedited manner.  
**Action Plan:** N/A  
**Measure of Success:** Processing of permits in a timely manner.  
**Budget Impact:** Staffing and hearing capabilities must be maintained.
- **Enforcement of District Boundary Amendment Compliance:**  
**One-Year Goal:** Finalize three outstanding enforcement actions.  
**Five-Year Goal:** Reinstate activity upon budget restoration.  
**Action Plan:** N/A  
**Measure of Success:** Restoration of enforcement activity.  
**Budget Impact:** Due to restrictions on re-hiring of staff that were lost to resignation or retirement the LUC has curtailed pro-active enforcement activity and is concentrating efforts on the processing of housing.

**FEDERAL FUNDS:** OPSD manages federal and state funds in order to implement its statutory requirements. OPSD has received federal funds for the CZM Program, the CEDS Update and the ARPA Statewide Planning Grant in FY 2022. The CZM federal fund grant listed below is subject to annual appropriations by Congress, and funding levels from the National Oceanic and Atmospheric Administration (NOAA). The CEDS Update grant must be applied for every five years to the U.S. Economic Development Administration. The Statewide Planning Grant is a one-time non-competitive grant awarded to all states and territories to assist with economic recovery from the COVID-19 pandemic.

The CZM Program is almost exclusively sustained via a cooperative agreement and is vital to the administration and operation of the OPSD. Expending CZM federal funds is contingent upon the State to provide 1:1 match to maintain administrative compliance for the cooperative agreement, much of which is achieved through in-kind donation of the OPSD general fund budget. Current budget restrictions have caused the OPSD to increase the use of federal funding to cover numerous administrative and operating expenses. Continued reductions may constrain the ability of the CZM Program to expend federal funds.

**Federal Award Title:** Hawai'i Coastal Zone Management Program  
**CFDA Number:** 11.419

EDA grants are competitive grants that are applied for when federal funding opportunities are announced by the EDA. On average, the Office of Planning is awarded an EDA grant every 2-3 years. In the event of reduction of federal funds for the CZM Program and EDA grants, there would be a reduction of services and impacts to the state, counties, and public.

**Federal Award Title:** Economic Development Administration (EDA) Grants for Economic Adjustment Assistance (EAA).

**CFDA Number:** 11.307

OPSD received on behalf of the State of Hawai'i, \$1 million from the EDA for the ARPA Statewide Planning Program.

**Federal Award Title:** EDA ARPA Statewide Planning Program – Hawai'i Economic Recovery Plan

**CFDA Number:** 11.307 Economic Adjustment Assistance

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

#### **BUDGET REQUESTS:**

- **\$22,502 to adjust federal fund ceiling for BED144/PL.** To zero out negative adjustments for federal funds payroll. Increase appropriation ceiling due to continuing positions funded under prior federal awards.
- **\$62,769 to adjust federal fund ceiling for BED144/PZ.** To zero out negative adjustments for federal funds payroll and add funds for Planning Program Manager (#25239). Increase appropriation ceiling due to continuing positions funded under prior federal awards and increase the pay for this position to be within the range of a branch manager.
- **\$62,136 General Funds for FY23 to restore funds for Planner V position.** This vacant position is with the Environmental Review Program (ERP) formerly the Office of Environmental Quality Control (OEQC). The Planner V (#34588) Position transferred from Department of Health to OPSD through Act 152, SLH 2021. This is an existing position that is currently unfunded due to the COVID-19 hiring freeze and General Fund reductions, but it is critically important.

If the Planner V position remains unfunded, the Environmental Review Program will not be able to perform all of its statutory functions jeopardizing many ERP (OEQC) programs specified in Chapter 341 and 343, HRS. The ERP is currently operating with only three staff to meet statutory requirements including publishing *The Environmental Notice* and providing staff support to the Environmental Advisory Council.

The primary function of the Planner V (#34588) position is to evaluate and recommend broad goals, priorities and programs in relation to comprehensive environmental planning for the State and to provide in-depth analysis and comments on environmental



assessments and impact statements that are submitted. These activities include consulting and providing technical guidance on EA/EIS process with agencies, consultants, applicants, interested parties and the general public and coordinates outreach trainings. This position is also responsible for administrative duties including supervising the Planner III, managing the program's budget and performance measures, and develops recommendations for environmental legislation, monitors legislative activities, reviews proposed legislation and prepares legislative testimony.

- **\$273,572 General Funds for FY23 and add 1 Permanent FTE and 3 Temporary FTE positions to support the Statewide Sustainability Branch and add funds for salary differential for the State Sustainability Coordinator (#122346).** The Statewide Sustainability Branch was recently enacted by HRS §225M-8 (Act 45, SLH 2020) to develop, organize, and promote policies and programs that assist in meeting Hawai'i's numerous sustainability and climate policies and goals. The Branch is also responsible for identifying, evaluating, and making recommendations regarding proposed legislation, regulatory changes, and policy modifications to the Governor, Legislature, government agencies, private entities, and other bodies related to Hawai'i's sustainability and climate resilience. Currently, the Statewide Sustainability Branch is dually staffed and administered by 1 position, the State Sustainability Coordinator. This request provides the start-up staffing of 2 FTE Sustainability and Climate Specialist and 1 FTE Sustainability Planner V to appropriately staff this statewide program to support, coordinate, and assist state and county agencies, the private sector, non-governmental organizations, and the people of Hawai'i to implement the recommended actions and the State's sustainability and climate legal and statutory targets.

Additionally, HRS §225P-4 (Act 15, SLH 2018) enacted a permanent climate mitigation task force, the Greenhouse Gas Sequestration Task Force (GHGSTF), which is administratively attached to the Office of Planning & Sustainable Development (OPSD). However, Fiscal Years 18-19, 19-20, 20-21, and 21-22 did not provide the OPSD with necessary staff support for the GHGSTF. HRS §225P-4 requires the OPSD and the GHGSTF to submit greenhouse gas sequestration annual reports to the Legislature beginning in 2023. The staff support requested is 1 FTE Greenhouse Gas Sequestration Specialist who will provide staffing to support GHGSTF public meetings and records, statewide greenhouse gas sequestration project support, analysis and reporting.

Finally, Act 88 (SLH 2021) the State Budget omitted the pay adjustment for the State Sustainability Coordinator. Pay adjustment for the State Sustainability Coordinator position was effective January 1, 2021, to increase the pay for this position to be within the range of a branch manager, per Act 45 (SLH 2020). BED144 should include \$32,588 A funds for FY 23 to reflect this pay adjustment.

- **\$83,076 to restore funding for the Special Plans Branch Manager position (#11310) for FY23.** The Special Plans Branch Manager position has been vacant since the incumbent was appointed to serve as the OPSD Director with return rights to the position at the end of her appointment, December 5, 2022. The position was then subject to the COVID-19 hiring freeze and General Fund reductions. The incumbent has requested to

exercise her return rights at the end of her current appointment. This request is to restore funds for FY23 at the EM-05 level. This position is needed to manage emergent issues as assigned by the DBEDT Director, Governor, and the Legislature, in addition to securing federal EDA funds for the CEDS and supporting government agencies and non-profit organizations applications for EDA grants.

- **\$1 million CIP GO Bonds for FY23 for Statewide Transit-Oriented Development (TOD) Planning projects.** The CIP funding will continue to plan for development of affordable housing in transit-oriented development (TOD) areas.

## **NATURAL ENERGY LABORATORY OF HAWAII'Ī AUTHORITY (NELHA) – BED 146**

**MISSION:** The mission of NELHA is to facilitate research, development, and commercialization of natural energy resources and ocean-related research, technology, and industry in Hawai'i and to engage in retail, commercial, or tourism activities that will financially support that research, development, and commercialization at the NELHA research and technology park in Hawai'i.

Major activities include establishing, managing, and operating facilities that provide sites for: 1) research and development; 2) commercial projects and businesses utilizing natural resources, such as ocean water; 3) compatible businesses engaged in scientific and technological investigations, or retail, commercial, and tourism activities; and 5) businesses or educational facilities that support the primary projects and activities. In addition, NELHA provides support, utilities, and other services to facility tenants and government agencies; maintains the physical structure of the facilities; promotes and markets these facilities; promotes and markets the reasonable utilization of available natural resources; supports ocean research and technology development projects that support national and state interests, use facilities and infrastructure in Hawai'i, and foster potential commercial development; and engage in retail, commercial, and tourism activities that are not related to facilitating research, development, and commercialization of natural energy resources in Hawai'i.

### **BUDGET REQUEST:**

No additional budget adjustment for General or the NELHA Special fund is being requested. NELHA is requesting two new CIP projects in FY23. See the section on [notable performance](#) for program milestones and measures.

### **CURRENT ECONOMIC AND FISCAL CONDITIONS:**

NELHA recognizes the challenges ahead during the global crisis caused by the great pandemic of 2020 and into 2021. NELHA will remain vigilant of operational issues caused by this crisis and closely monitor impacts on NELHA clients and potential downturns in demand for their products. NELHA continues to ensure that any impacts on the health of NELHA staff are minimized to maintain NELHA operations with as little disruption as possible.

NELHA continued to make significant progress in FY21 with a small staff of 15. From a

financial perspective, NELHA closely monitored special fund operational expenditures, increased special fund balance slightly, continued to work on six CIP projects totaling \$5.1M, and existing grant funds of \$5.5M. In addition, NELHA secured insurance proceeds of \$3M from the destruction of facilities in Puna due to the Kilauea eruption and a new U.S. EDA grant of \$1.8M. Despite the pandemic NELHA successfully pumped over 10 billion gallons in FY21 of seawater without interruption to the over 50 businesses at HOST Park during the year. NELHA saw the number of new businesses continue to grow and no businesses were forced to close in FY21. With adequate safety precautions and sanitary gear, NELHA staff experienced no positive cases of COVID-19 and was able to maintain a 40-hour weekly work schedule with all staff reporting to work at HOST Park daily during FY21.

NELHA has taken steps to manage COVID-19 impacts on its operations and clients including: 1) Closely monitor impact on NELHA clients and demand for their products; 2) Evaluate ways to assist smaller companies when warranted and especially those that are severely impacted; 3) Formulate additional steps to increase security in HOST Park by managing access during periods when the state and county issue proclamations to ban or limit social gatherings especially at Wawaloli Beach Park and along the shoreline; 4) Review options to “work from home” for NELHA employees to lessen impacts of the pandemic when warranted; 5) Remain vigilant regarding impacts on health of NELHA employees to ensure use of personal protective equipment, sanitizers and social distancing; and 6) Increase use of virtual meetings with clients and for NELHA Board of Director meetings.

#### **NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

- **Maintain Operations at NELHA facility:** The NELHA seawater system is the largest and most advanced in the world. Continued to maintain 99.99% uptime and an energy review for the seawater system in FY21, shows the facility has increased its overall efficiency by 4.43% in terms of power consumption per gallon from FY20. In short, NELHA saved \$39,347 in FY21 in electrical cost alone when compared with the facilities kWhr/kgal efficiency rate last year.

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

**Five-year Goal:** Maintain uptime of 99.99% and maintain current efficiency.

**Action Plan:**

- Continue efforts to improve efficiency, stabilize energy costs, maintain adequate reserve fund and achieve 99.99% uptime.
- Continue to upgrade SCADA and Water Quality Lab (WQL) with new instruments and monitoring devices controlled by WQL including new nutrient analyzer, upgrading SCADA software and add additional monitoring devices, controls, and pump station security to SCADA system.
- Complete microgrid development project with CIP funding and a grant from South Korean government for \$1.85M to service the 55” seawater pump station to lower or maintain energy costs. The testbed demonstration includes detailed design, deployment, testing and

evaluation of a microgrid including 500 kilowatts of advanced PV panels and a 700-kilowatt-h NELHA energy storage system (ESS) at the main seawater pump station at HOST Park in Kailua-Kona. The microgrid demonstration project is expected to be operational in FY22.

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

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

- **Removal of Abandoned Deep Seawater Pipelines:** Executed two contracts valued at \$500,000 (from CIP funds) to formulate plans and design of removal of abandoned deep seawater pipelines. Project was delayed significantly due to COVID-19 travel restrictions and technical difficulties with equipment operating at the 2,000 ft depth. Contractor presented a new workplan – however COVID-19 pandemic travel restrictions and safety protocols precluded any work until fall of 2021 – at which time winter storm season made for unsafe working conditions. Contractor will restart the survey in spring of 2022 after the winter storm season ends.

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

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

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

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

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

- **Testbed to address electricity delivery and grid integration:** There is significant value in developing an advanced energy technology testbed to address electricity delivery and grid integration problems both within the site boundaries and to provide value to a stressed utility operating in an isolated island environment. NELHA is in the process of completing a long-term plan for renewable energy upgrades to HOST Park. Primary emphasis is on achieving energy security and resiliency for critical seawater operations in the face of increasing vulnerability (especially during natural disasters) of the electric grid, uncertainty about the cost of oil-based resources, and the availability of increasing amounts of low-cost (primarily solar) renewable energy resources and storage. In this regard, NELHA contracted with the Hawai'i Natural Energy Institute (HNEI) to provide a facility wide renewable energy and microgrid road map for the next 10 years. HNEI completed Phase I the NELHA facility energy and infrastructure assessment report in FY21. HNEI will complete the final report in November 2021 with recommendations and strategies on how NELHA can implement and leverage microgrid technologies and further NELHA renewable energy portfolio into the future to meet its energy goals.

In addition, NELHA continued to work with the Public Utilities Commission regarding Microgrid Investigation in Docket No. 2018-0163. In Act 200, the 2018 Legislature

specifically found that “[t]he natural energy laboratory of Hawai‘i authority is recognized as having the potential to operate a microgrid and may be designated as the first microgrid demonstration project after the establishment of the microgrid services tariff . . .” The opportunities for regulatory flexibility at HOST Park that can facilitate microgrid applications to improve the resiliency of Hawai‘i’s energy systems. NELHA currently envisions that combining loads on the HELCO distribution circuit into a single microgrid under certain extended utility grid outage events would require the “temporary use” (limited to that period of time where the utility was unable to deliver grid power) of that section of their distribution circuit serving the several HOST Park metered accounts. The envisioned temporary use of the HELCO segment of distribution line would appear to fall under the requirements of the Hybrid Microgrid provisions of the tariff.

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

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

**Action Plan:**

- NELHA’s stretch goal is provide approximately 65 percent of total power from renewables onsite by 2030. Main initiatives include: 1) Establish an energy storage testbed; 2) Develop an integrated energy district or microgrid; 3) Reduce NELHA carbon footprint by adding renewable energy from solar photovoltaic (PV) panels; 4) Work with the University of Hawai‘i and US Department of Energy (USDOE) to develop a testbed for hydrogen technologies; 5) Expand efforts to assist the private sector in commercialization of OTEC; and, 6) Expand NELHA relationships with the national laboratories and other key players in Hawai‘i’s energy field such as HNEI and utilities.
- NELHA management will use HNEI’s microgrid road map as a guide for potential future upgrades to the electrical systems at the facility. The inclusion and management of renewable resources and the strategies to implement will increase resiliency from grid related issues and emergency events.
- Apply for grants to develop projects.
- Continue to work with the PUC regarding microgrid designation in Docket No. 2018-0163.

**Measure of success:** Reduce fossil fuel generated energy consumption by 65 percent and PUC tariff designation for a demonstration microgrid.

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

- **Regional Seawater Air-Conditioning Analysis:** Secured the consultant for the West Hawai‘i regional seawater air-conditioning analysis using CIP funds.

**One-year Goal:** Project is currently scheduled to be completed in the FY22.

**Five-year Goal:** Dependent upon the recommendations in the current analysis.

**Action Plan:** Continue to work with consultant to complete analysis.

**Measure of Success:** Implement recommendations of analysis and develop regional system if warranted.

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

- **Solar desalination projects:** Completed Phase Two implementation of \$2M USDOE SunShot grant for a solar desalination demonstration project and continue to explore requirements to facilitate an offshore deep water desalination project.
  - One-year Goal:** Complete Phase 2 of the USDOE project and begin Phase 3. Obtain permits for offshore underwater desalination demonstration project.
  - Five-year Goal:** USDOE Project is scheduled for completion in 2022. If successful ramp up desalination efforts. Successful demonstration of offshore desalination project.
  - Action Plan:** Continue to work closely with contractor and USDOE and start-up company for offshore demonstration project.
  - Measure of Success:** Proof of concept of new onshore technology to desalinate 133,000 gallons per day and up to 80,000 gallons per day for the offshore demonstration project.
  - Budget Impacts:** No anticipated impacts if the special fund balance is maintained at the current level.
- **Aquaculture accelerator project:** The pilot aquaculture accelerator completed the third and final year. Despite the pandemic challenges, HATCH was able to run a virtual cohort in the fall of 2020 bringing the number of startups that have received \$100K seed funding through this program to a total of 21. HATCH also raised a total of \$8.4 million for an associated “follow-on” venture fund. Twenty percent (20%) of the cohort companies were either Hawai’i based or moved to Hawai’i. For the last and final year of the pilot accelerator project, HATCH organized an Innovation Studio to focus on developing the pipeline of new aquaculture startups forming in Hawai’i. Recruitment for this final session was completed and program took place in August 2021. Fifty percent (50%) of the participants were from Hawai’i.

Based on the pilot aquaculture accelerator project accomplishments and successes from 2019 - 2021, NELHA applied for another EDA grant to continue the HATCH aquaculture accelerator for another four years. An award of \$1.8M was made by EDA in May 2021 using EDA 2019 East rift zone lava disaster funds. NELHA is also expecting to receive \$656,000 in construction funds from EDA to improve incubator facilities and construct an innovation village consisting of a fleet of approximately 8 mobile labs. With cost share (mostly provided by HATCH), a total of \$3.1M will be available to develop a long-term self-sustaining aquaculture accelerator at NELHA to benefit global and Hawai’i aquaculture over 4 years. It is expected that about 75 companies will benefit from the extended accelerator program and 25 companies will benefit from associated incubator

activities. HATCH will also aim to raise an \$40M associated “follow on” venture fund. The new EDA grant began in October 2021.

**One-Year Goal:** Begin 4<sup>th</sup> year of accelerator operations.

**Five-Year Goal:** Continue operations of accelerator and complete annual cohorts during the 4-year EDA grant period.

**Action Plan:**

- NELHA will continue to develop the strategy to establish an aquaculture proof of concept center and be identified as a place for innovation of global aquaculture technologies.
- Offer additional services and facilities to support “incubation – accelerator – proof of concept” type facilities and programs and other laboratory services especially in the field of global aquaculture innovation.
- Implement grant in conjunction with HATCH.

**Measure of Success:** Increase in number of companies involved in growth global aquaculture; increase Hawai’i’s image and brand as an aquaculture leader; and increase revenue to NELHA. Aquaculture acceleration to become self-sustaining at the end of the new 4-year EDA grant period.

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

- **Exploratory Well for Potable Water Resources:** Continued efforts for an exploratory well (CIP funds) for new potable water resources to be shared equally with HHFDC. This project has been on hold for several years and NELHA is still awaiting a permit from the Commission on Water Resource Management (CWRM) to begin drilling the exploratory well. All other work and permits have been completed and approved. Due to delays, the contractor requested cost increase of 10 percent for their services, and NELHA executed a supplemental agreement.

NELHA’s permit request was discussed by the CWRM Board of Directors in April 2021. A decision on the permit was deferred. CWRM is requesting additional input from representatives of Native Hawaiian traditional and customary (T&C) practitioners and to hold a symposium to discuss “T&C” knowledge, history, and perspective of water resource use impacts on “T&C” practices along the West Hawai’i coastline. Due to COVID-19 restrictions, it has so far, not been possible to schedule this symposium. NELHA continues to invest significant time and effort working with CWRM staff, well development partners, HHFDC and other stakeholders in keeping the process moving forward. NELHA is also exploring alternative options such as desalination (discussed above) and are requesting CIP funds (see below) this year to identify offshore freshwaters seeps.

**One-Year Goal:** Work with CWRM to develop mitigation measures and monitoring metrics for CWRM approval and begin exploratory well drilling.

**Five-Year Goal:** Complete exploratory well, secure funding for production well and drill production well.

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

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

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

- **Increase Revenue Stream:** Revenue was flat for FY 2021 and increasing lease revenue has been challenging due to the COVID situation. NELHA completed several new leases in FY2021 in the Research Campus and two new leases in HOST Park were executed. NELHA's new incubator building is at full occupancy and outside space in the Research Campus is also at some of the highest it has ever been despite the pandemic with small expansions from three companies. Finally, despite the pandemic, no businesses in HOST Park failed and six new companies have established themselves at HOST Park which demonstrates the resiliency of this economic sector.

**One-Year Goal:** Increase revenue by 5%.

**Five-Year Goal:** Increase revenue by 15% with completion of expansion of research campus and increase operation of underutilized assets.

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

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

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

- **HOST Park Development and Build Out – Continue efforts to plan and complete additional infrastructure to “tee-up” new areas for future development:** Secured grant funds from FEMA and insurance companies for the damages by the 2018 Kilauea volcanic eruption to NELHA facilities in Puna to use for development of and expansion to the existing Research Campus, which is at full occupancy, which will provide room for expansion. NELHA is also planning to construct a new visitor center. In November 2020, NELHA executed a contract with an architectural firm to plan and design expansion of the existing research campus with a new “Innovation Village” as well as a new visitor center. The work will include the design development of a new office building/ innovation complex and new visitor center and all associated construction documents, special entitlements, and permits. NELHA began the process to complete environmental assessments (EA) for the new sites.

**One-Year Goal:** Complete EA and entitlements process.

**Five-Year Goal:** Complete construction of the two new buildings.

**Action Plan:**



- FY22 – Complete Environmental Assessment, Archaeological Inventory Survey, Traffic Impact Assessment, Biological Survey, Geotechnical survey and testing, and Drainage plan.
- FY23 – Obtain permits for Special Management Area, Conservation Use District, and County of Hawai'i Building.
- FY24 – Complete construction bid procurement and execute contract for construction.
- FY25 – Complete construction and soft opening of new buildings.

**Measure of Success:** Completion of project on time and on budget.

**Budget Impacts:** Upon completion of the new buildings, NELHA anticipate an increase of approximately 5 percent in special fund revenues.

**FEDERAL FUNDS:** During FY21, NELHA did not lose any Federal Funds. NELHA has recently received a public assistance grant of \$3.5M from FEMA to rebuild buildings destroyed by Kilauea volcanic eruption in Puna.

**Event Name:** 4366DR-HI.

**FEMA PA Code:** 000-UK2PX-00

NELHA also received a new \$1.8M grant from EDA for continued operation of aquaculture accelerator for an additional 4 years.

**Award title:** FY 2019 EDA Disaster Supplemental – Economic Development Assistance

**CFDA number:** 11.307.

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

#### **BUDGET ADJUSTMENT:**

- **\$1,500,000 CIP in General Obligation (G.O) Bonds** to update comprehensive Environmental Impact Statement (EIS) for Hawai'i Ocean Science and Technology (HOST) Park. NELHA is responsible for managing and operating facilities at the 870-acre HOST Park to facilitate research, development, and commercialization of aquaculture and ocean-related research, technology, and industry in Hawai'i. Initial EIS were completed in 1976 and 1985. A supplemental EIS related to alternative methods of seawater disposal was completed in 1987 and an EIS for an additional 83-acre parcel exchanged with an adjacent property owner was completed in 1992. NELHA believes that the previous environmental work has allowed to operate as a “master-planned and permitted technology park” and has led NELHA’s success in attracting new businesses that can quickly relocate in the park. Considering that most of the EISs are two to three decades old and the types of projects, technologies and business environment have evolved considerably since then, a new comprehensive EIS is needed. This new EIS, along with a recently updated master plan in 2012, will address and guide the future growth and development of NELHA and facilitate investment attraction to the State.
- **\$500,000 CIP in GO Bonds for the design and planning for development to access offshore deep layer freshwater aquifers.** Adequate freshwater is inhibiting economic growth and recovery in West Hawai'i. These funds will be used to expand prior marine

surveys that have discovered deep freshwater aquifers using non-invasive marine electrical imaging that will provide additional information to determine the size, likely yield and more exact depths of these aquifers that could be utilized as a new low-cost freshwater resource to supply the increasing demand for freshwater by state agencies in West Hawai'i.

## **HAWAI'I COMMUNITY DEVELOPMENT AUTHORITY – BED 150**

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

HCDA oversees three community development districts, and the Stadium District, designated by the State Legislature. The statutory mission for each district is as follows:

- (1) **Kaka'ako** Community Development District – facilitate a mixed-use district whereby industrial, commercial, residential, and public uses may coexist compatibly within the same area;
- (2) **Kalaeloa** Community Development District – facilitate the redevelopment of Barbers Point Naval Air Station;
- (3) **He'eia** Community Development District – facilitate culturally appropriate agriculture, education, and natural-resource restoration and management of the He'eia wetlands; and
- (4) **Stadium** Development District – to make optimal use of public land for the economic, residential, educational, and social benefit of the people of Hawai'i. In July 2021, Governor David Ige signed House Bill 1348 into law (Act 146, SLH 2021). It designated the Aloha Stadium Authority (ASA) Board as the lead agency for the development of the New Aloha Stadium Entertainment District (NASED) project. The ASA will work closely with the Department of Accounting and General Services (DAGS) and HCDA.

**BUDGET REQUEST:** The positions within the HCDA are essential for the Authority to fulfill its mission and to support the State's economic recovery. Act 9, SLH 2021, amended HCDA's statute to rename the revolving funds to special funds. HCDA's budget request includes an adjustment to convert MOF from Revolving (W) to Special (B) to be in compliance with Act 9, SLH 2021. Also, HCDA requested CIP funds for the repair to the Fisherman's Wharf Bulkhead at Kewalo Basin Harbor and for electrical and communication infrastructure improvements on Saratoga Avenue in the Kalaeloa Community Development District.

**CURRENT ECONOMIC AND FISCAL CONDITIONS:** New development and renovations continued at a steady pace in 2021. Two of the development permits HCDA approved – Ulana and The Park Ward Village, will provide an approximate combined total of \$1 billion in overall economic impact, and 687 average annual construction jobs. HCDA also approved the amendment of the Kamehameha Schools Master Plan, which is anticipated to create 1,900 average annual jobs and approximately \$2.14 billion in overall economic impact. In total HCDA issued approximately 64 permits. There are currently 39 housing projects in Kaka’ako that have been completed, two new projects are under construction, and one project has been permitted but has not started construction.

In response to the world-wide pandemic caused by COVID-19:

1. The staff at HCDA quickly adapted to working remotely and limited in-person interaction with the community, developers and stakeholders to appointment only. It also conducted the monthly board meetings virtually.
2. Due to the economic hardship caused by the COVID-19 pandemic and historically low interest rates, HCDA received a significant number of requests to refinance HCDA reserved housing units by the homeowners. In response, HCDA amended its policies increasing its refinancing maximum limit to allow these owners to tap into their equity and assist them through these challenging times.
3. The refinancing of over 220 HCDA reserved housing units was completed in FY2021.
4. HCDA now permits reserved housing unit owners to obtain a second mortgage (i.e., a HELOC) under certain conditions, allowing such owners to further access the equity in their units.

HCDA will organize its workforce to address development work in all community development districts. The new structure will create a more resilient workforce, balance the workload, and contribute to an overall cost savings through this synergistic approach.

Investment in infrastructure and public facilities is necessary to spur economic growth and provide incentive for further redevelopment in community development districts.

**NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

- **Create Economic Development Through Revitalization:** The 1976 State Legislature created the HCDA as a way to plan for the future development of underutilized urban areas of Hawai’i. Lawmakers determined these “community development districts” were underused and deteriorating but had the potential to provide great economic opportunities to the state once they were redeveloped.

**One-Year Goal:** HCDA staff will continue to review and approve development and renovation permits throughout the districts, manage its revenue earning assets and lands in the districts.

**Five-Year Goal:** Encourage more development in the Kaka’ako and Kalaeloa development districts including development of affordable housing.

**Action Plan:**

- HCDA will work closely with the landowners and developers, development permit applicants, and HCDA lessees in each community development districts.
- HCDA will work with the community and HCDA consultants in amending community development district plan and rules as necessary to facilitate development in each district, especially in Kaka’ako, amend the Mauka Area rules as further described below.

**Measure of Success:** The measurement for achieving these goals are the number of development permits processed by the HCDA, the number of housing and mixed-use developments in each community development districts, the number of affordable housing developed, increase in HCDA revenue from its leases, and increase in GET and property tax revenue generated in the community development districts.

**Budget Impact:** Reduction in budget will impact the availability of personnel to review development permit applications in a timely manner resulting in delay of permit approvals, which will delay the construction timeline for development projects.

- **Kaka’ako:**

- **Affordable Housing:** The HCDA under its Reserved Housing Program requires at least 20 percent of the residential units in new developments to be made available at an affordable price to qualifying households. Within the Kaka’ako Community Development District (KCDD), 39 residential projects have been completed, two are under construction, and one has been permitted but has not started construction. Between these projects 12,589 residential units are completed, under construction, or going into construction, out of which more than 1 in 3 units are designated as affordable housing units.

In June 2021, the HCDA amended its Reserved Housing Rules (Hawai’i Administrative Rules 15-218-41), which allowed Reserved Housing Unit Owners to prepay their shared equity amount without sale or transfer of their unit.

In August 2021, The HCDA allowed Reserved Housing Unit Owners to obtain a second mortgage, which creates the opportunity for reserved housing unit owners to further access the equity in their unit.

**One-Year Goal:** Complete the review of applications for the 697 reserved housing units at Ulana.

**Five-Year Goal:** Utilize shared equity payments to leverage affordable housing development, preferably affordable rental housing development in Kakaako.

**Action Plan:** HCDA will continue to work with Kaka’ako community, private developers, and Hawai’i Housing Finance & Development Corporation to develop affordable housing in Kaka’ako.

**Measure of Success:** Success will be measured by the number of new development projects in Kaka’ako and increase in affordable housing units in Kaka’ako.

**Budget Impact:** Reduction in budget will impact the availability of personnel to review reserved housing applications in a timely manner resulting in awards to ineligible applicants.

- **District-Wide Improvement Program:** Develop and execute a district-wide infrastructure improvement program for Central Kaka’ako, which still is an under-utilized industrial and commercial area of Kaka’ako with substandard roads, insufficient drainage systems, and overhead utility lines.

**One-Year Goal:** Continue to develop a comprehensive infrastructure improvement plan for Central Kaka’ako.

**Five-Year Goal:** Seek legislative funding to complete the plan for the district-wide improvement program for Central Kaka’ako.

**Action Plan:** Plan, design, and construct infrastructure improvements identified in the year one goal.

**Measure of success:** Completion of the district-wide improvement program for Central Kaka’ako.

**Budget Impact:** Reduction in general funds will directly impact HCDA’s ability to plan, design, and finalize the District Wide Improvement Program plan. Additionally, in the future years, a lack of CIP funding will impact the planning, design, and construction of the improvements included in the plan.

- Kaka’ako **Mauka Area Rule Amendment:** Amend the Kaka’ako Mauka Area Rules to include Transit Oriented Development (TOD) principles to support the State’s TOD goals.

**One-Year Goal:** Complete and adopt the Mauka Area Rule amendments, which will include a TOD rule overlay with zoning incentives.

**Five-Year Goal:** Implement the amended rules and TOD zoning incentives to encourage development in Kaka’ako.

**Action Plan:** Work with Kaka’ako landowners, developers, and stakeholders to plan and implement development projects that can utilize zoning incentives.

**Measure of Success:** Success will be measured by the number of development projects and housing units (especially reserved housing units) in Kaka’ako.

**Budget Impact:** Reduction of general funds and staff would impact the timeline for amending the Mauka Area Rules. Funding reduction will also impact HCDA’s ability to review and approve development permit applications.

- **Kalaeloa:**
  - **Kalaeloa Infrastructure Improvements:** HCDA completed the Kalaeloa Energy Corridor project in 2020. The \$13 million CIP funded project began at the intersection of Kapolei Parkway and Fort Barrette, continued along Enterprise Avenue and ended at Midway Road fronting the Kalaeloa Airport. The Department of Transportation Airports Division (DOT) has contracted with Hawaiian Electric Company to energize the new Enterprise Energy Corridor project.
    - One-Year Goal:** Continue to work on improving infrastructure in Kalaeloa to support development. Work with landowners and stakeholders in identifying critical infrastructure deficiencies and prepare a plan to address the deficiencies.
    - Five-Year Goal:** Seek CIP and other funding for infrastructure improvements.
    - Action Plan:** Plan, design, and construct infrastructure improvements.
    - Measure of success:** Improved infrastructure leading to additional housing and mixed-use development.
    - Budget Impact:** Reduction in general funds will directly impact HCDA’s ability to plan, design, and manage construction of infrastructure improvement projects. Additionally, in the future years, a lack of CIP funding will impact the planning, design, and construction of these improvements.
  - **Kalaeloa Community Development District Plan:** HCDA commenced the update of the Kalaeloa Community Development District (KCDD) Plan and Administrative Rules. The Kalaeloa Master Plan was adopted in 2006 and the Hawai‘i Administrative Rules Title 15 Chapter 215 and 216 were adopted in 2012. The Plan and Rules govern all development activities within the estimated approximate 3,700 acres in the KCDD except for federally controlled parcels. Since the Kalaeloa Plan and Rules were adopted, major developments have occurred within and adjacent to the KCDD. An assessment of the current state of the KCDD and surrounding area is needed.
    - One-Year Goal:** Continue with the update of the Plan and Administrative Rules.
    - Five-Year Goal:** Complete the update of Plan and Administrative Rules. Implement the amended Plan and Rules.
    - Action Plan:** Identify favorable and detrimental conditions to redevelopment in the district and develop strategies for affordable housing development. Work collaboratively with community groups and stakeholders to obtain feedback relating to development in the district.
    - Measure of success:** The updated Plan and Rules are adopted. Success will also be measured by the number of development projects in the district and number of affordable housing units in the district.
    - Budget Impact:** Reduction in general funds will delay completion of the Plan and Rules update and will further impact the development

timeline.

- **He'eia:**

- **He'eia Community Development District:** In 2021, HCDA worked to establish a community development plan and rules for He'eia. The 400-acre community development district, primarily owned by the State, is a tremendous asset to the State's food security goals.

**One-Year Goal:** Complete the He'eia District Mangrove Remediation Project. See the Federal Funds Section below.

**Five-Year Goal:** Increase acreage of land for taro cultivation and other agricultural activities. Restore natural resources in the district.

**Action Plan:** Work collaboratively with the lessee, He'eia community and the surrounding neighborhoods, and other interest groups to develop the Plan and Rules. Work with the lessee to increase acreage of land in agriculture and production of taro and other agricultural products.

**Measure of success:** Community Development Plan and Administrative Rules are adopted. Increase in acreage of land in agricultural use and increase in production of taro and other agricultural products.

**Budget Impact:** Reduction in general funds will delay the completion of the He'eia District Mangrove Remediation project.

- **He'eia National Estuarine Research Reserve System Plan:** In 2020, HCDA commenced work pursuant to Act 166, SLH 2019, which establishes in part that the HCDA shall invite and consult with various entities for the development of a He'eia state park community-based long-range plan for the He'eia National Estuarine Research Reserve System (HNERRS).

**One-Year Goal:** Complete the He'eia state park community-based long-range plan.

**Five-Year Goal:** Not applicable. The final deliverables will be transmitted to the Department of Land and Natural Resources and the HCDA will not be involved in the implementation of the plan.

**Action Plan:** Identify stakeholders and landowners who have an interest in the future of the He'eia State Park or who would be affected by activities at the park. Identify and evaluate potential future uses and activities that support the Vision and Mission of the HNERRS. Develop a community-based long-range plan for the He'eia State Park.

**Measure of success:** The He'eia State Park community-based long-range plan is completed.

**Budget Impact:** Reduction in general funds will delay completion of the long-range plan.

- **Stadium:**

- Act 146, SLH 2021, relating to the Stadium Development District, broadened the powers and duties of the Stadium Authority to acquire and hold real property, and

to delegate to other state agencies implementation of capital improvement projects with approval of the Governor. All development responsibilities for the stadium and surrounding areas were given to the Stadium Authority under the bill with the HCDA as resource to the Stadium Authority.

**FEDERAL FUNDS:** We do not anticipate any decrease of Federal Funds. In Act 88, SLH 2021, the American Rescue Plan Act (ARPA), P.L. 117-2, which was signed into law on March 11, 2021, included \$195.3 billion for the Coronavirus State Fiscal Recovery Fund (CSFRF) to provide direct assistance to state governments and the District of Columbia to support COVID-19 response efforts and mitigate the fiscal effects stemming from the public health emergency. The State of Hawai'i was allocated \$1,641,602,609.60 which has been drawn down from the U.S. Department of Treasury. Of this, \$300,000 was appropriated for mangrove remediation in the Hee'ia Community Development District.

**Federal Award Title:** Coronavirus State and Local Fiscal Recovery Funds,  
He'eia District Mangrove Remediation  
**CFDA Number:** 21.027

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

**BUDGET ADJUSTMENTS:**

- **\$2,343,019 conversion of 13 Permanent FTE for BED150 KA from Revolving Funds to Special funds for FY 2023.** Act 9, SLH 2021, amended HCDA's statute to rename the revolving funds to special funds. The conversion of W to B funds is a housekeeping request to be in compliance with Act 9, SLH 2021.
- **\$320,000 conversion of 1 Temporary FTE for BED150 KL from Revolving Funds to Special Funds for FY 2023.** Act 9, SLH 2021, amended HCDA's statute to rename the revolving funds to special funds. The conversion of W to B funds is a housekeeping request to be in compliance with Act 9, SLH 2021.
- **\$25,000,000 CIP Funds for Repair of Fisherman's Wharf Bulkhead-Kewalo Basin Harbor:** The budget request includes a request for CIP funds to replace the wharf concrete deck at Kewalo Basin Harbor that has deteriorated and is unsafe for use. This project includes significant repairs of concrete spalling at the wharf bulkhead beams, pile caps, and piles.
- **\$12,125,000 CIP Funds for electrical and communication infrastructure for the Kalaeloa Community Development District:** The budget request includes a request for CIP funds for the preparation of construction/bid documents/specifications for electrical and communication infrastructure improvements and construction of improvements on Saratoga Avenue between Hornet Street and Enterprise Avenue in Kalaeloa Community Development District. The project consists of constructing a 12kV underground electrical distribution line as per HECO standard. The project also includes preparation of an Environmental Assessment document and acquisition of additional right-of-way along existing Saratoga Avenue.



## **HAWAI'I HOUSING FINANCE AND DEVELOPMENT CORPORATION - BED 160**

**MISSION:** The mission of the Hawai'i Housing Finance and Development Corporation (HHFDC) is to increase and preserve the supply of affordable housing statewide by providing financing and development programs that facilitate housing development. Since the agency's inception in 2006, HHFDC has facilitated the development or preservation of a little over 12,000 units. In Fiscal Year (FY) 2021, HHFDC assisted in the delivery of about 1,500 workforce/affordable units while managing assets of approximately \$1.5 billion.

**BUDGET REQUEST:** HHFDC does not have any operational or Capital Improvement Budget supplemental appropriation requests for FY 2022-2023.

### **CURRENT ECONOMIC AND FISCAL CONDITIONS:**

Due to the pandemic, HHFDC had to rapidly stand up and implement a rent relief program to help families remain housed as one of the CARES Act initiatives in 2020. Although the Rent Relief and Housing Assistance Program (RRHAP) terminated in December 2020, the agency is still spending time and energy on federal reporting and the fiscal audit.

HHFDC is also administering an American Rescue Plan Act (ARPA) initiative in 2021, the Homeowner Assistance Fund (HAF). The HAF, is providing the State of Hawai'i with \$50,000,000 to provide mortgage relief for homeowners to avoid foreclosure on their homes due to hardships caused by the pandemic. Although the Neighbor Island Counties are administering their HAF funds through nonprofit organizations, the City and County of Honolulu has opted out of participating. Therefore, HHFDC will have to administer the City's allocation of HAF on behalf of O'ahu homeowners.

Also, as a result of the pandemic, projects that received HHFDC financing and development assistance from prior years are now facing construction delays and higher costs. Rising construction material costs, supply chain delays, material and labor shortages challenge existing projects, resulting in requests from developers for additional financing from HHFDC in order to keep their projects in the construction pipeline.

Like other housing finance agencies across the nation, HHFDC is engaged in a balancing act, trying to meet the affordable housing needs of the state while working with limited resources. In the past, the primary limited resource was the gap financing, or Rental Housing Revolving Funds (RHRF). In 2021, the limited resource is the state's annual private activity bond (PAB) cap available to HHFDC to finance 4% Low Income Housing Tax Credit (LIHTC) projects. There is no statutory allocation of bond cap under §39B-2, Hawai'i Revised Statutes, for affordable housing, creating uncertainty as to how much support HHFDC can offer housing developers during any given year. During its FY 2021 funding round, HHFDC received applications totaling approximately \$565,000,000 in PAB requests compared to the \$133,000,000 that was available. Given the outstanding \$200,000,000 in PAB awards in the pipeline from the prior calendar year, we were able to award only 5 projects Hula Mae Multifamily (HMMF) bonds totaling about \$235,000,000. In prior years, the Department of Budget and Finance re-allocated unused

annual county private activity bond ceiling to HHFDC for affordable housing purposes. If Counties retain their statutory allocations, HHFDC may not be able to assist in the financing of as many affordable rental projects or issue mortgage credit certificates to assist first-time homebuyers going forward. HMMF bonds, together with LIHTCs, and RHRF loans, are critical financing tools needed in order to continue the production of low to moderate income rental housing in the state.

**NOTABLE PERFORMANCE MEASURES, EXPECTED OUTCOMES, AND RECENT RESULTS:**

In FY 2021, and in collaboration with the private sector, HHFDC:

- HOME Investment Partnership Program (HOME) funds and Housing Trust Funds (HTF) supported the construction of 53 units in four affordable rental projects located in Kauai and Maui. These projects were placed in service in FY 2021. Federal HOME funds may be used to assist families at or below 80% of the area median income (AMI), and at or below 50% AMI. Federal HTF funds may be used for the development of rental housing affordable to families at or below 30% AMI.
- HTF funds were allocated to the City and County of Honolulu and used to acquire a rental housing project on O’ahu, delivering an additional five units.

| <u>Location/Project</u>                   | <b>Total<br/>Units</b> | <b>HOME<br/>Units</b> | <b>HTF<br/>Units</b> |
|---|------------------------|-----------------------|----------------------|
| <b><u>County of Kaua’i</u></b>            |                        |                       |                      |
| Koa’e Workforce Housing Development       | 134                    | 11                    | 13                   |
| Waimea Huakai Affordable Apartments       | 34                     | 6                     | 0                    |
| <b><u>County of Maui</u></b>              |                        |                       |                      |
| Kaiwahine Village, Phase I                | 64                     | 12                    | 0                    |
| Kaiwahine Village, Phase II               | 56                     | 0                     | 6                    |
| <b><u>City and County of Honolulu</u></b> |                        |                       |                      |
| Mahani Hale*                              | 5                      | 0                     | 5                    |
| <b>Total</b>                              | <b>293</b>             | <b>29</b>             | <b>24</b>            |

\*Non-LIHTC project

- Assisted in the completion and placement in service of 1,513 workforce/affordable housing units. Notable projects include the following:
  - **Hale Kalele (Piikoi Street, Honolulu, O’ahu, 201 units)** This mixed-use project, which broke ground in October 2020, is the first intergovernmental (Judiciary and Executive branch) collaboration. The project that took an underutilized state-owned parcel and turned it into a mixed-use project including low to moderate income rental housing and a juvenile services facility. The residential portion of the facility was financed with \$24,500,000 in RHRF, \$44,661,970 in HMMF bonds and \$40,500,000 in Federal and State LIHTC equity for the

residential portion of the facility. The HHFDC also committed \$15,000,000 in DURF towards the Judiciary's portion of the project. Estimated occupancy for the residential portion of the project is May/June 2022.

- **Kokua (Alakea Street, Honolulu, O'ahu, 224 units)** This elderly rental project located in the Honolulu central business district broke ground in September 2021. It was financed using \$24,698,418 in RHRF, \$48,900,000 in HMMF bonds and \$33,720,309 in Federal and State LIHTCs. The project is projected to be completed in Summer 2023.
- **The Central (Kapiolani Boulevard, Honolulu, O'ahu, 513 units)** This condominium located adjacent to Ala Moana Center and the Honolulu rail transit line was developed using 201H development powers to expedite project approvals. The Central was completed in August 2021 and has been placed in service. It provides 310 affordable homeownership units for households at income levels ranging from 80 to 140% of the area median income.
- **Lima Ola Master Planned Community ('Ele'ele, Kaua'i, 550 units)** HHFDC provided a Dwelling Unit Revolving Fund (DURF) loan of \$13,000,000 to the County of Kaua'i Housing Agency to fund regional infrastructure improvements supporting the project's development. Project site work began in November 2020 and is ongoing.
- **Huliau (Kahului, Maui, 12 units)** HHFDC executed a Memorandum of Understanding with the County of Maui to lease the project site and provided \$5,000,000 in DURF funds for planning and construction of the project. The County of Maui used the funds to convert former University of Hawai'i Maui Community College dormitories unused and vacant for 15 years into transitional housing for unsheltered families. The project was completed in March 2021 and is fully occupied. The County of Maui administers the project using 'Ohana Zone funds to pay for on-site property management, case management, and wraparound services.

**Five-year projection:** HHFDC's plan is to assist in the finance and development of approximately 7,563 workforce/affordable units over the next five years.

| <b>Fiscal Years</b> | <b>Rental</b> | <b>For Sale</b> | <b>Total</b> |
|---------------------|---------------|-----------------|--------------|
| 2022                | 992           | 667             | 1,659        |
| 2023                | 748           | 0               | 748          |
| 2024                | 1,424         | 708             | 2,132        |
| 2025                | 874           | 200             | 1,074        |
| 2026                | 1,600         | 350             | 1,950        |
| <b>Total</b>        | <b>5,638</b>  | <b>1,925</b>    | <b>7,563</b> |

**Action Plan:** HHFDC will continue to work with the counties, the community, private developers, and Hawai'i Community Development Authority and other state agencies to facilitate the development of housing statewide.

**Measure of Success:** Number of new development projects and affordable and workforce housing units which are produced or preserved statewide.

**Budget Impacts:** Reduction in budget will adversely impact the Agency's ability to perform essential functions associated with financing and developing affordable housing.

**FEDERAL FUNDS:** We do not anticipate any decrease to the State of Hawai'i's allocation of HOME Program funds. The current funding level for the HOME Program is \$3,000,000. HHFDC received an additional award of HOME American Rescue Plan funds in the amount of \$6,413,733, which will be allocated to the three Neighbor Island counties.

**Federal Award Title:** HOME Investment Partnerships Program  
**CFDA Number:** 14.239

We do not anticipate any decrease to the State of Hawai'i's allocation of Housing Trust Fund program funds in the next year. The current funding level for the Housing Trust Fund program is \$3,480,969.

**Federal Award Title:** Housing Trust Fund  
**CFDA Number:** 14.275

In the event of future budget cuts to the HOME and HTF programs, the Counties would be more reliant on the State's other housing financing programs to address the continued need to increase the supply of affordable housing units, such as the Rental Housing Revolving Fund and the Dwelling Unit Revolving Fund.

**NON-GENERAL FUNDS:** [DBEDT Non-General Fund Report to the 2022 Legislature](#)

**BUDGET ADJUSTMENTS:** None.

Department of Business, Economic Development and Tourism  
Functions

Table 1

| Division                                | Description of Function  | Activities   | Prog ID(s) | Dept-Wide | Statutory Reference |
|---|--|--|------------|-----------|---------------------|
|   |  |  |            | Priority  |                     |
| Business Development & Support Division | Support and build an innovation ecosystem that contributes to entrepreneurial high growth businesses and creates high wage jobs. | Increase the Value of Exports From Hawaii by: 1) Securing Small Business Administration grant for State Trade Export Program (STEP) for export training workshops, company financial assistance and participation in international trade shows in targeted Asia and domestic markets; 2) maintaining strategic sister state relationships to build global alliances and partnerships; 3) promoting and marketing Hawaii as a learning destination to increase the number of international students studying in Hawaii. | BED100     | 1         | HRS Ch26-18         |
| Business Development & Support Division | Support Innovation Clusters and Entrepreneur Development   | Support Innovation Clusters and Entrepreneur Development by: 1) STEP grant participation at trade shows focused on the fashion, food and gift manufacturing, and bio-tech clusters; 2) attracting overseas students to study in Hawaii, 3) providing direct grant assistance to exporters of products and services.  | BED100     | 1         | HRS Ch26-18         |
| Business Development & Support Division | Enterprise Zone Program(EZ)  | Administer the state's business and job creation EZ program.   | BED100     | 1         | HRS Ch209E          |
| Business Development & Support Division | Community Based Economic Development   | Administer and provide grants to community based organizations to increase the employment and economic base of distressed and rural communities.   | BED100     | 1         | HRS Ch210D          |
| Business Development & Support Division | Community Based Micro-loan Program   | Administer and provide micro-loans to community based businesses and organizations to increase the employment and economic base of distressed and rural communities.   | BED100     | 1         | HRS Ch210D          |
| Business Development & Support Division | Office of International Affairs  | Administer sister state and international relations activities for the state   | BED100     | 2         | HRS Ch229           |
| Business Development & Support Division | Overseas Offices   | Administer out-of-state offices  | BED100     | 3         | HRS Ch201-81        |

Department of Business, Economic Development and Tourism  
Functions

Table 1

| Division                                | Description of Function                  | Activities   | Prog ID(s) | Dept-Wide | Statutory Reference                                      |
|---|--|--|------------|-----------|--|
|   |  |  |            | Priority  |  |
| Business Development & Support Division | Defense Economy Development and Support  | Administer Hawaii's defense economy related activities including obtaining federal grants, increasing Hawaii businesses share of defense contracts, increasing Hawaii's defense contractors competitiveness.   | BED100     | 1         | HRS Ch26-18  |
| Creative Industries Division            | Advancing Hawaii's Creative Economy      | 1) Strengthen business opportunities for export of knowledge-based, creative industries products and services through strategic initiatives such as Creative Lab.<br>2) Act as advocate for Hawaii's creative clusters in the film, television, culture, arts, literary, design, music, digital, interactive media, game design, and animation sectors.<br>3) Position Hawaii as a node in the global creative economy through representation on national and international organizations such as Creative Economy Coalition (CEC), Economic Development, Entrepreneurial and Arts Advocacy organizations. | BED105     | 2         | Hawaii Revised Statutes §201-14, 201-16; 235-17; 201-113 |
| Creative Industries Division            | Entrepreneurial Development Programs     | 1) Expand Creative Lab initiative, supporting a pipeline of creative/tech entrepreneurial development. (feeds HSDC Accelerators).<br>2) Provide Creative Lab weekend workshops and bootcamps focused on early stage concepts/ideas-to-product / content development.   | BED105     | 2         | Hawaii Revised Statutes §201-14, 201-16; 235-17; 201-113 |
| Creative Industries Division            | Support Media Infrastructure Development | 1) Complete CIP Phase II and III of Hawaii Film Studio Facility<br>2) Develop a secondary creative media/film studio complex based on recommendations in market analysis, site recommendation report.  | BED105     | 1         | Hawaii Revised Statutes §201-14, 201-16; 235-17; 201-113 |

Department of Business, Economic Development and Tourism  
Functions

Table 1

| Division                     | Description of Function                            | Activities  | Prog ID(s) | Dept-Wide | Statutory Reference                                      |
|------------------------------|--|---|------------|-----------|--|
|                              |  |   |            | Priority  |  |
| Creative Industries Division | Strengthen State Film Program                      | <p>1) Increase resources for Hawaii Film Office film industry programs and services.</p> <p>2) Support statutory responsibilities of film permitting, tax credit and Hawaii Film Studio management, including e-permitting.</p> <p>3) Amend existing Hawaii TV &amp; Film Development Fund statute to rename and repurpose fund; repeal Hawaii TV &amp; Film Board statute and provide mechanism to capture studio rental revenue to support ongoing R&amp;M at facility and enhance film program operations support.</p> | BED105     | 1         | Hawaii Revised Statutes §201-14, 201-16; 235-17; 201-113 |
| Creative Industries Division | Support HI Growth Industry Sector Development      | <p>1) Increase number of companies launched, supported and products exported through creative/tech entrepreneurial development programs.</p> <p>2) Attract public/private sector investment to develop infrastructure and broadband connectivity for creative media/tech sectors.</p>   | BED105     | 2         | Hawaii Revised Statutes §201-14, 201-16; 235-17; 201-113 |
| Creative Industries Division | Develop and Support Creative Collaboration Centers | <p>1) Launch HIC3 Creative Collaboration Centers, support co-working ventures statewide, offering tools and technology to accelerate creative and knowledge-based industry cluster development in collaboration with HSDC, HCDA, GVS and HTDC.</p> <p>2) Establish broadband giga hubs at these and other facilities, providing capacity for high speed collaboration, and distribution direct to web or broadcast networks.</p>  | BED105     | 2         | Hawaii Revised Statutes §201-14, 201-16; 235-17; 201-113 |

Department of Business, Economic Development and Tourism  
 Functions

Table 1

| <u>Division</u>    | <u>Description of Function</u> | <u>Activities</u>   | <u>Prog ID(s)</u> | <u>Dept-Wide</u> | <u>Statutory Reference</u> |
|--------------------|--------------------------------|---|-------------------|------------------|----------------------------|
|                    |                                |   |                   | <u>Priority</u>  |                            |
| Foreign-Trade Zone | FTZ Operations                 | Stabilize and steadily grow FTZ program statewide<br>1) Administer the federal grant for the Foreign-Trade Zone program in Hawaii by establishing rules and regulations for the operation of the Foreign-Trade Zone. 2) Continue to operate the program in a self-sustaining manner without the use of general funds. 3) Oversee nine general-purpose zone sites and five sub-zone sites within the State of Hawaii by acting as liaison between the Foreign-Trade Zones Board and designated Zone sites. Inform the Zones of the rules and regulations and assist them with resources to help them better compete in external markets. FTZ9 currently assists close to 365 businesses in import and export of goods to over 30 different countries. 4) Operate and expand the small business import-export assistance and resource center at the Pier 2 location. 5) Expand economic development through the facilitation of international trade; increase global competitiveness of U.S. based companies by fostering relations with EXIM Bank, customs brokers, shipping agents; and offering training and resources to companies which assists them in growing their import-export business. 6) Actively promote the FTZ program through various marketing opportunities, chambers of commerce and business associations by initiating and building relationships with key groups to utilize the FTZ as the "Hub of International Trade" in Hawaii. | BED107            | 1                | HRS Ch. 212                |



Department of Business, Economic Development and Tourism  
Functions

Table 1

| <u>Division</u>          | <u>Description of Function</u>             | <u>Activities</u>   | <u>Prog ID(s)</u> | <u>Dept-Wide</u> | <u>Statutory Reference</u> |
|--------------------------|--|---|-------------------|------------------|----------------------------|
|                          |  |   |                   | <u>Priority</u>  |                            |
| Hawaii Tourism Authority | Operations of the Hawaii Tourism Authority | To maintain and improve transportation access and services to facilitate travel to, from and within Hawaii. To facilitate interaction among all stakeholders that improves the lines of communications and enhances greater understanding of roles, values and concerns. To honor and perpetuate the Hawaiian culture and community. To develop marketing programs that contribute to sustainable economic growth. To respect, enhance and perpetuate Hawaii's natural resources to ensure a high level of satisfaction for residents and visitors. To perform collaborative research and planning for use in the development of programs, policies and plans that will positively contribute to the State's economy, benefit the community and sustain Hawaii's resources. To achieve a safe Hawaii visitor experience. To provide a diverse and quality tourism product unique to Hawaii that enhances the Hawaii visitor experience and enriches residents' quality of life. | BED113            | 1                | HRS 201B                   |
| Hawaii Tourism Authority | Operations of the Hawaii Tourism Authority | (cont.) To ensure a sufficient and highly-qualified workforce that is provided with meaningful careers and advancement opportunities.   | BED113            | 1                | HRS 201B                   |
| Hawaii Tourism Authority | Operations of the HTA Convention Center    | To market Hawaii as a premier destination for conducting business, with Hawaii serving as the bridge to connect the world. To maintain the Hawaii Convention Center as a world-class facility for international and domestic conferences and meetings.  | BED113            | 1                | HRS 201B                   |

Department of Business, Economic Development and Tourism  
Functions

Table 1

| Division                                | Description of Function   | Activities   | Prog ID(s) | Dept-Wide | Statutory Reference      |
|---|---|--|------------|-----------|--------------------------|
|   |   |  |            | Priority  |                          |
| Hawaii State Energy Office              | To promote energy efficiency, renewable energy, and clean transportation to help achieve a resilient clean energy decarbonized economy. | (1) Provide analysis and planning to actively develop and inform policies to achieve energy efficiency, renewable energy, energy resiliency, and clean transportation goals with the legislature, public utilities commission, state agencies, and other relevant stakeholders; (2) Lead efforts to incorporate energy efficiency, renewable energy, energy resiliency, and clean transportation to reduce costs and achieve clean energy goals across all public facilities; (3) Provide renewable energy, energy efficiency, energy resiliency, and clean transportation project deployment facilitation to assist private sector project completion when aligned with state energy goals; and (4) Engage the private sector to help lead efforts to achieve renewable energy and clean transportation goals through the Hawaii clean energy initiative. | BED120     | 1         | HRS 196-71 to 196 - 72   |
| Research and Economic Analysis Division | Compilation of basic data on and assessment of Hawaii's Economy for use by policy makers, business and the public                       | Quarterly Statistical & Economic Report, State of Hawaii Data Book, Monthly economic indicators, Monthly energy indicators, cooperation with the U.S. Census Bureau and dissemination of Census data, prepare short and long-range projections of population and economy.  | BED130     | 1         | HRS Ch 201-19(2) and (b) |
| Research and Economic Analysis Division | Research & Statistics for Growth Industries   | Define and measure performance of emerging Industries. Provide annual information on technology industry and its workforce. Provide annual information on the Creative Industries and workforce. Track the status of innovation in Hawaii and impact on economy. Update and use input-output model to assess the relationships among and impact on the economy of emerging and growth industries in the economy.   | BED130     | 2         | HRS Ch 201-19(2) and (b) |

Department of Business, Economic Development and Tourism  
 Functions

Table 1

| <u>Division</u>                         | <u>Description of Function</u>                              | <u>Activities</u>  | <u>Prog ID(s)</u> | <u>Dept-Wide</u> | <u>Statutory Reference</u>                                |
|---|---|--|-------------------|------------------|---|
|   |   |  |                   | <u>Priority</u>  |   |
| Research and Economic Analysis Division | Self-Sufficiency  | Define and measure a self-sufficiency income standard for Hawaii and report bi-annually.   | BED130            | 1                | Act 12 (2008) SLH HRS Ch 201-3(5)                         |
| Research and Economic Analysis Division | Energy Industry Information Reporting Program               | Collect data and maintain a database on Hawaii's petroleum industry including imports, processing, distribution, and inventory by type of products   | BED130            | 2                | Act 152 (2010), HB 2631, HD2, SD2, CD1                    |
| Research and Economic Analysis Division | Survey of Research activities by high technology businesses | Conduct annual survey and report findings on research activities by Hawaii qualified high technology businesses  | BED 130           | 2                | Act 270 (2013) and Act 261 (2019), SB 1314, SD1, HD1, CD1 |
| Research and Economic Analysis Division | Labor Market Research                                       | Conduct surveys and report Hawaii labor market conditions including labor force, employment, unemployment, unemployenet rate, and job count by industry, wages by occupation, and statistics on job injuries   | BED 130           | 1                | HRS Ch 201-13(8)  |
| Research and Economic Analysis Division | Tourism Research  | Conduct surveys and report Hawaii tourism industry performance including visitor arrivals, expenditures, purpose of trip, accommodation used, their activities, satisfaction level, and visitor demographic characteristics. The program also reports hotel industry performace such as inventory, occupation, room rate, and revenue per available room. The program does annual surverys and reports resident attitude toward tourism. | BED 130           | 1                | HRS Ch 201-13(8)  |

Department of Business, Economic Development and Tourism  
 Functions

Table 1

| <u>Division</u>                       | <u>Description of Function</u>                          | <u>Activities</u>   | <u>Prog ID(s)</u> | <u>Dept-Wide</u> | <u>Statutory Reference</u>                             |
|---------------------------------------|---|---|-------------------|------------------|--|
|                                       |   |   |                   | <u>Priority</u>  |  |
| Hawaii Green Infrastructure Authority | Administer the Hawaii Green Infrastructure Loan Program | HGIA administers the Green Energy Market Securitization (GEMS) Financing Program, which includes the Green Energy Money Saver On-Bill Program, providing low-cost, long-term, flexible financing to Hawaii’s most vulnerable ratepayers, specifically, low and moderate-income homeowners and renters, small businesses, nonprofits and multi-family rental projects. HGIA also administers the State Revolving Loan Fund, providing flexible financing to assist other state departments in lowering it energy costs. Lastly, working in concert with the Hawaii Public Utilities Commission (“PUC”) and the Hawaiian Electric Company, Inc., HGIA is responsible for the administration and oversight of the \$150.0 million Green Energy Market Securitization Bond. The GEMS financing program fills market gaps, stimulates private investments and leverages innovative tools to mitigate risks and reach new markets. HGIA is aligned with DBEDT’s economic development goals. Since inception to September 30, 2020, HGIA facilitated over \$105.0 million in clean energy investments, of which 92% were projects benefitting underserved ratepayers, generating over \$13.3 million in state tax revenues and creating/retaining almost 1,100 local jobs. | BED138            | 1                | HRS Ch 196-61 to 196-70, HRS Ch 269-A -P, HRS Ch 269-5 |

Department of Business, Economic Development and Tourism  
Functions

Table 1

| <u>Division</u>                           | <u>Description of Function</u>   | <u>Activities</u>   | <u>Prog ID(s)</u> | <u>Dept-Wide</u> | <u>Statutory Reference</u> |
|---|--|---|-------------------|------------------|----------------------------|
|   |  |   |                   | <u>Priority</u>  |                            |
| Director's Office                         | Small Business Regulatory Review Board   | The SBRRB was established on July 1, 1998 with the passage of the Small Business Regulatory Flexibility Act. The responsibilities of the SBRRB include: 1) Commentary on small business impact statements to the rule-drafting departments, 2) Identification and commentary on business impact of existing administrative rules, 3) Recommendations to the Governor's Office, Departments or the Legislature regarding the need for an administrative rule or legislative change, 4) Recommendations to the Mayors or County Councils regarding County rules, and 5) Review of small business petitions and complaints on business impact. | BED142            | 1                | HRS 201M                   |
|   | Hawaii Broadband Initiative  | The Hawaii Broadband Initiative is a public-private partnership that will plan for the deployment of a broadband network resulting in increased broadband capacity for the State.   | BED142            | 1                | Act 143, SLH 2015          |
| Hawaii Technology Development Corporation | Facilitate the growth and development of the commercial high technology industry | Developing and/or operating incubation centers.   | BED143            | 1                | HRS Ch206M-2(a)(1)         |
| Hawaii Technology Development Corporation | Facilitate the growth and development of the commercial high technology industry | Providing support and services in development of the high tech industry.  | BED143            | 1                | HRS Ch 206M-2(a)(2)        |
| Hawaii Technology Development Corporation | Alternative Transportation Technologies  | Projects in advanced transportation technologies & other federally funded projects  | BED143            | 2                | HRS Ch 206M-3(a)(15)       |

Department of Business, Economic Development and Tourism  
 Functions

Table 1

| <u>Division</u>    | <u>Description of Function</u>      | <u>Activities</u>  | <u>Prog ID(s)</u> | <u>Dept-Wide</u> | <u>Statutory Reference</u> |
|--------------------|-------------------------------------|--|-------------------|------------------|----------------------------|
|                    |                                     |  |                   | <u>Priority</u>  |                            |
| Office of Planning | Statewide Planning and Coordination | Gather, analyze, and provide information to the Governor to assist in the overall analysis and formulation of state policies and strategies; provide central cohesion in the allocation of resources and effectuation of state activities and programs; effectively address current of emerging issues and opportunities. Conduct statewide planning and coordination; represent the State before the Land Use Commission; administer the coastal zone management program and geographic information system program and administer the Brownfields Cleanup Revolving Loan Fund. Conduct climate adaptation, sustainability and transit-oriented development planning and coordination. Interagency coordination includes: 1. OP serves as co-chair and provides staff to Hawaii Interagency Council on Transit-Oriented Development to coordinate activities among State agencies and the counties; 2. OP chairs the Greenhouse Gas Task Force Sequestration Task Force (GHGSTF). OP and the GHGSTF are required to provide findings and recommendations to the Legislature on greenhouse gas sequestration; | BED144            | 1                | HRS c. 225M and HRS c. 226 |
| Office of Planning | Statewide Planning and Coordination | (cont.) 3. OP and the GHGSTF are also to make recommendations on a Carbon Offset Program; 4. OP serves as co-chair of the Climate Change Mitigation and Adaptation Commission; and 5. OP coordinates Hawaii's sustainability initiative and update of the sustainability plan.   | BED144            | 1                | HRS c. 225M and HRS c. 226 |

Department of Business, Economic Development and Tourism  
Functions

Table 1

| <u>Division</u>     | <u>Description of Function</u>  | <u>Activities</u>  | <u>Prog ID(s)</u> | <u>Dept-Wide</u> | <u>Statutory Reference</u> |
|---------------------|---|--|-------------------|------------------|----------------------------|
|                     |   |  |                   | <u>Priority</u>  |                            |
| Land Use Commission | To preserve, protect, encourage the development of housing and construction activity, and preserve lands in the State by ensuring lands is put to the uses to which they are best suited in the interest of public health and welfare of the people of the State of Hawaii through the implementation of the State Land Use Law, Chapter 205, Hawaii Revised Statutes (HRS), as amended and to aid in the large-scale planning process. | The program objectives of the Land Use Commission (LUC) are to process, review and act on petitions for housing and infrastructure projects and stimulate the construction industry and increase the state housing inventory. The primary way this is accomplished is through district boundary amendments involving lands over 15 acres in the State Agricultural, Rural and Urban Districts and all petitions seeking reclassification of lands in the Conservation District; review and act on applications for special permits in the Agricultural and Rural Districts which are over 15 acres; process motions and boundary interpretation request; and maintain, update, and disseminate official State Land Use district maps and land use information. | BED144            | 1                | HRS Ch 205                 |
| Land Use Commission | To preserve, protect, encourage the development of housing and construction activity, and preserve lands in the State by ensuring lands is put to the uses to which they are best suited in the interest of public health and welfare of the people of the State of Hawaii through the implementation of the State Land Use Law, Chapter 205, Hawaii Revised Statutes (HRS), as amended and to aid in the large-scale planning process. | (cont.) Pursuant to recently enacted legislation, the Commission is tasked with identifying and mapping important agricultural lands in conjunction with private landowners and the counties. The Commission also undertakes large-scale identification and processing of the important agricultural land designation in conjunction with all counties in the upcoming biennium. LUC activities are focused on approval and enabling of large and medium scale construction and housing projects to stimulate the construction industry and further the state inventory of affordable and market rate housing.   | BED144            | 1                | HRS Ch 205                 |

Department of Business, Economic Development and Tourism  
Functions

Table 1

| Division  | Description of Function   | Activities   | Prog ID(s) | Dept-Wide | Statutory Reference                                       |
|---|---|--|------------|-----------|---|
|   |   |  |            | Priority  |   |
| Natural Energy Laboratory of Hawaii Authority (NELHA) | The purpose of NELHA is to facilitate research, development, and commercialization of natural energy resources and ocean-related research, technology, and industry in Hawaii and to engage in retail, commercial, or tourism activities that will financially support that research, development, and commercialization at a research and technology park in Hawaii. | Establishing, managing, and operating facilities that provide sites for: 1) research and development; 2) commercial projects and businesses utilizing natural resources, such as ocean water; 3) compatible businesses engaged in scientific and technological investigations, or retail, commercial, and tourism activities; and 5) businesses or educational facilities that support the primary projects and activities. In addition, provide support, utilities, and other services to facility tenants and government agencies; maintain the physical structure of the facilities; promote and market these facilities; promote and market the reasonable utilization of available natural resources; support ocean research and technology development projects that support national and state interests, use facilities and infrastructure in Hawaii, and foster potential commercial development; and engage in retail, commercial, and tourism activities that are not related to facilitating research, development, and commercialization of natural energy resources in Hawaii. | BED146     | 1         | HRS 227D  |
| Hawaii Community Development Authority                | Serve as the planning, redevelopment, and regulatory agency for its Community Development Districts (Kakaako, Kalaeloa, and He'eia).  | Administer the Community Development District Plan and Hawaii Administrative Rules.  | BED150     | 1         | HRS §206E-1~22, §206E-31~33, §206E-191~199, §206E-201~205 |
| Hawaii Community Development Authority                | Provide needed reserved housing units in the Kakaako and Kalaeloa Community Development Districts.  | Locate, purchase, and develop qualified-income housing projects. Administer the reserved housing programs.   | BED150     | 1         | HRS §206E-1~22, §206E-31~33, §206E-101~123, §206E-191~199 |



Department of Business, Economic Development and Tourism  
Functions

Table 1

| <u>Division</u>                                  | <u>Description of Function</u>   | <u>Activities</u>  | <u>Prog ID(s)</u> | <u>Dept-Wide</u> | <u>Statutory Reference</u>                 |
|--|--|--|-------------------|------------------|--|
|  |  |  |                   | <u>Priority</u>  |  |
| Hawaii Community Development Authority           | Plan, design, and construct infrastructure improvement projects in the Kakaako and Kalaeloa Community Development Districts. | Develop infrastructure improvements in the community development districts.  | BED150            | 2                | HRS §206E-1~22, §206E-31~33, §206E-191~199 |
| Hawaii Community Development Authority           | Plan, design, and construct public facilities in the Kakaako and Kalaeloa Community Development Districts.                   | Purchase, create, expand, or improve public facilities in the community development districts.   | BED150            | 2                | HRS §206E-1~22, §206E-31~33, §206E-191~199 |
| Hawaii Housing Finance & Development Corporation | Increase and sustain the supply of workforce and affordable housing.   | Increase supply of workforce and affordable housing in sustainable housing developments by facilitating housing construction and preservation by providing developers with tools and resources such as financing, land, and help with land use and zoning approvals. Strengthen communities and assist in growing a resilient middle class by assisting first-time homebuyers with mortgage financing and tax credits through participating lenders. | BED160            | 1                | HRS 201H                                   |

Department of Business, Economic Development and Tourism  
Department-Wide Totals

Table 2

| Fiscal Year 2022          |                 |                |                          |                |       |
|---------------------------|-----------------|----------------|--------------------------|----------------|-------|
| Budget Acts Appropriation | Reductions      | Additions      | Emergency Appropriations | Total FY22     | MOF   |
| \$ 13,527,230             |                 |                |                          | \$ 13,527,230  | A     |
| \$ 99,120,839             |                 |                |                          | \$ 99,120,839  | B     |
| \$ 6,079,582              |                 |                |                          | \$ 6,079,582   | N     |
| \$ 5,276,337              |                 |                |                          | \$ 5,276,337   | P     |
| \$ 240,000                |                 |                |                          | \$ 240,000     | T     |
| \$ 75,450,000             |                 |                |                          | \$ 75,450,000  | V     |
| \$ 21,292,008             |                 |                |                          | \$ 21,292,008  | W     |
| \$ 220,985,996            | \$ -            | \$ -           | \$ -                     | \$ 220,985,996 | Total |
|                           |                 |                |                          |                |       |
| Fiscal Year 2023          |                 |                |                          |                |       |
| Budget Acts Appropriation | Reductions      | Additions      |                          | Total FY23     | MOF   |
| \$ 13,500,832             |                 | \$ 64,091,666  |                          | \$ 77,592,498  | A     |
| \$ 99,120,839             |                 | \$ 33,728,019  |                          | \$ 132,848,858 | B     |
| \$ 6,079,582              |                 | \$ 85,271      |                          | \$ 6,164,853   | N     |
| \$ 5,276,337              |                 |                |                          | \$ 5,276,337   | P     |
| \$ 240,000                |                 | \$ 6,906,250   |                          | \$ 7,146,250   | T     |
| \$ 15,150,000             | \$ (11,000,000) |                |                          | \$ 4,150,000   | V     |
| \$ 21,292,008             | \$ (2,663,019)  |                |                          | \$ 18,628,989  | W     |
| \$ 160,659,598            | \$ (13,663,019) | \$ 104,811,206 | \$ -                     | \$ 251,807,785 | Total |

| Prog ID | Program Title                 | MOF   | As budgeted (FY22) |         |            | As budgeted (FY23) |         |            | Governor's Submittal (FY22) |         |            |                                  | Governor's Submittal (FY23) |         |            |                               |
|---------|-------------------------------|-------|--------------------|---------|------------|--------------------|---------|------------|-----------------------------|---------|------------|----------------------------------|-----------------------------|---------|------------|-------------------------------|
|         |                               |       | Pos (P)            | Pos (T) | \$\$\$     | Pos (P)            | Pos (T) | \$\$\$     | Pos (P)                     | Pos (T) | \$\$\$     | Percent Change of<br>of \$\$\$\$ | Pos (P)                     | Pos (T) | \$\$\$     | Percent Change<br>of \$\$\$\$ |
| BED100  | Strategic Marketing & Support | A     | 10.00              | 1.00    | 1,288,724  | 10.00              | 1.00    | 1,288,724  | 10.00                       | 1.00    | 1,288,724  | 0%                               | 10.00                       | 1.00    | 1,948,724  | 51%                           |
| BED100  | Strategic Marketing & Support | P     | -                  | -       | 700,000    | -                  | -       | 700,000    | -                           | -       | 700,000    | 0%                               | -                           | -       | 700,000    | 0%                            |
| BED100  | Strategic Marketing & Support | V     | -                  | -       | 100,000    | -                  | -       | 100,000    | -                           | -       | 100,000    | 0%                               | -                           | -       | 100,000    | 0%                            |
| BED100  | Strategic Marketing & Support | W     | -                  | -       | 2,321,915  | -                  | -       | 2,321,915  | -                           | -       | 2,321,915  | 0%                               | -                           | -       | 2,321,915  | 0%                            |
| BED100  | Strategic Marketing & Support | Total | 10.00              | 1.00    | 4,410,639  | 10.00              | 1.00    | 4,410,639  | 10.00                       | 1.00    | 4,410,639  | 0%                               | 10.00                       | 1.00    | 5,070,639  | 15%                           |
| BED105  | Creative Industries Division  | A     | 13.00              | 1.00    | 1,412,289  | 13.00              | 1.00    | 1,412,289  | 13.00                       | 1.00    | 1,412,289  | 0%                               | 13.00                       | 1.00    | 1,657,341  | 17%                           |
| BED105  | Creative Industries Division  | B     | -                  | -       | 780,000    | -                  | -       | 780,000    | -                           | -       | 780,000    | 0%                               | -                           | -       | 780,000    | 0%                            |
| BED105  | Creative Industries Division  | V     | -                  | -       | 50,000     | -                  | -       | 50,000     | -                           | -       | 50,000     | 0%                               | -                           | -       | 50,000     | 0%                            |
| BED105  | Creative Industries Division  | Total | 13.00              | 1.00    | 2,242,289  | 13.00              | 1.00    | 2,242,289  | 13.00                       | 1.00    | 2,242,289  | 0%                               | 13.00                       | 1.00    | 2,487,341  | 11%                           |
| BED107  | Foreign Trade Zone            | B     | 16.00              | -       | 2,513,717  | 16.00              | -       | 2,513,717  | 16.00                       | -       | 2,513,717  | 0%                               | 16.00                       | -       | 2,513,717  | 0%                            |
| BED107  | Foreign Trade Zone            | Total | 16.00              | -       | 2,513,717  | 16.00              | -       | 2,513,717  | 16.00                       | -       | 2,513,717  | 0%                               | 16.00                       | -       | 2,513,717  | 0%                            |
| BED113  | Tourism                       | A     | -                  | -       | -          | -                  | -       | -          | -                           | -       | -          | #DIV/0!                          | 1.00                        | 23.20   | 60,000,000 | #DIV/0!                       |
| BED113  | Tourism                       | B     | -                  | -       | -          | -                  | -       | -          | -                           | -       | -          | #DIV/0!                          | -                           | 0.80    | 28,500,000 | #DIV/0!                       |
| BED113  | Tourism                       | V     | 1.00               | 24.00   | 71,000,000 | 1.00               | 24.00   | 11,000,000 | 1.00                        | 24.00   | 71,000,000 | 0%                               | -                           | -       | -          | -100%                         |
| BED113  | Tourism                       | Total | 1.00               | 24.00   | 71,000,000 | 1.00               | 24.00   | 11,000,000 | 1.00                        | 24.00   | 71,000,000 | 0%                               | 1.00                        | 24.00   | 88,500,000 | 705%                          |

| Prog ID | Program Title                         | MOF   | As budgeted (FY22) |         |            | As budgeted (FY23) |         |            | Governor's Submittal (FY22) |         |            |                            | Governor's Submittal (FY23) |         |            |                            |
|---------|---------------------------------------|-------|--------------------|---------|------------|--------------------|---------|------------|-----------------------------|---------|------------|----------------------------|-----------------------------|---------|------------|----------------------------|
|         |                                       |       | Pos (P)            | Pos (T) | \$\$\$     | Pos (P)            | Pos (T) | \$\$\$     | Pos (P)                     | Pos (T) | \$\$\$     | Percent Change of \$\$\$\$ | Pos (P)                     | Pos (T) | \$\$\$     | Percent Change of \$\$\$\$ |
| BED120  | Hawaii State Energy Office            | A     | 2.00               | 20.00   | 1,958,082  | 2.00               | 20.00   | 1,958,082  | 2.00                        | 20.00   | 1,958,082  | 0%                         | 1.00                        | 29.00   | 2,564,712  | 31%                        |
| BED120  | Hawaii State Energy Office            | B     | -                  | -       | 500,000    | -                  | -       | 500,000    | -                           | -       | 500,000    | 0%                         | -                           | -       | 3,065,000  | 513%                       |
| BED120  | Hawaii State Energy Office            | N     | -                  | -       | 500,000    | -                  | -       | 500,000    | -                           | -       | 500,000    | 0%                         | -                           | -       | 500,000    | 0%                         |
| BED120  | Hawaii State Energy Office            | T     | -                  | -       | 240,000    | -                  | -       | 240,000    | -                           | -       | 240,000    | 0%                         | -                           | -       | 7,146,250  | 2878%                      |
| BED120  | Hawaii State Energy Office            | Total | 2.00               | 20.00   | 3,198,082  | 2.00               | 20.00   | 3,198,082  | 2.00                        | 20.00   | 3,198,082  | 0%                         | 1.00                        | 29.00   | 13,275,962 | 315%                       |
| BED130  | Economic Planning & Research          | A     | 18.46              | 5.00    | 1,987,139  | 18.46              | 5.00    | 1,987,139  | 18.46                       | 5.00    | 1,987,139  | 0%                         | 18.46                       | 5.00    | 2,081,139  | 5%                         |
| BED130  | Economic Planning & Research          | N     | 1.54               | -       | 115,317    | 1.54               | -       | 115,317    | 1.54                        | -       | 115,317    | 0%                         | 1.54                        | -       | 115,317    | 0%                         |
| BED130  | Economic Planning & Research          | P     | 6.50               | -       | 582,123    | 6.50               | -       | 582,123    | 6.50                        | -       | 582,123    | 0%                         | 6.50                        | -       | 582,123    | 0%                         |
| BED130  | Economic Planning & Research          | V     | -                  | -       | 4,000,000  | -                  | -       | 4,000,000  | -                           | -       | 4,000,000  | 0%                         | -                           | -       | 4,000,000  | 0%                         |
| BED130  | Economic Planning & Research          | Total | 26.50              | 5.00    | 6,684,579  | 26.50              | 5.00    | 6,684,579  | 26.50                       | 5.00    | 6,684,579  | 0%                         | 26.50                       | 5.00    | 6,778,579  | 1%                         |
| BED138  | Hawaii Green Infrastructure Authority | B     | -                  | 5.00    | 85,978,302 | -                  | 5.00    | 85,978,302 | -                           | 5.00    | 85,978,302 | 0%                         | -                           | 5.00    | 85,978,302 | 0%                         |
| BED138  | Hawaii Green Infrastructure Authority | Total | -                  | 5.00    | 85,978,302 | -                  | 5.00    | 85,978,302 | -                           | 5.00    | 85,978,302 | 0%                         | -                           | 5.00    | 85,978,302 | 0%                         |

| Prog ID | Program Title                             | MOF   | As budgeted (FY22) |         |           | As budgeted (FY23) |         |           | Governor's Submittal (FY22) |         |           |                                  | Governor's Submittal (FY23) |         |           |                               |
|---------|---|-------|--------------------|---------|-----------|--------------------|---------|-----------|-----------------------------|---------|-----------|----------------------------------|-----------------------------|---------|-----------|-------------------------------|
|         |   |       | Pos (P)            | Pos (T) | \$\$\$    | Pos (P)            | Pos (T) | \$\$\$    | Pos (P)                     | Pos (T) | \$\$\$    | Percent Change of<br>of \$\$\$\$ | Pos (P)                     | Pos (T) | \$\$\$    | Percent Change<br>of \$\$\$\$ |
| BED142  | General Support for Economic Development  | A     | 25.00              | 1.00    | 2,290,423 | 25.00              | 1.00    | 2,290,423 | 25.00                       | 1.00    | 2,290,423 | 0%                               | 25.00                       | 1.00    | 2,357,623 | 3%                            |
| BED142  | General Support for Economic Development  | Total | 25.00              | 1.00    | 2,290,423 | 25.00              | 1.00    | 2,290,423 | 25.00                       | 1.00    | 2,290,423 | 0%                               | 25.00                       | 1.00    | 2,357,623 | 3%                            |
| BED143  | Hawaii Technology Development Corporation | A     | 3.00               | 5.00    | 1,258,111 | 3.00               | 5.00    | 1,234,902 | 3.00                        | 5.00    | 1,258,111 | 0%                               | 3.00                        | 5.00    | 3,234,902 | 162%                          |
| BED143  | Hawaii Technology Development Corporation | B     | -                  | -       | 1,604,258 | -                  | -       | 1,604,258 | -                           | -       | 1,604,258 | 0%                               | -                           | -       | 1,604,258 | 0%                            |
| BED143  | Hawaii Technology Development Corporation | P     | -                  | 9.00    | 994,214   | -                  | 9.00    | 994,214   | -                           | 9.00    | 994,214   | 0%                               | -                           | 10.00   | 994,214   | 0%                            |
| BED143  | Hawaii Technology Development Corporation | R     | -                  | -       | -         | -                  | -       | -         | -                           | -       | -         | #DIV/0!                          | -                           | -       | -         | #DIV/0!                       |
| BED143  | Hawaii Technology Development Corporation | W     | -                  | -       | 2,017,203 | -                  | -       | 2,017,203 | -                           | -       | 2,017,203 | 0%                               | -                           | -       | 2,017,203 | 0%                            |
| BED143  | Hawaii Technology Development Corporation | Total | 3.00               | 14.00   | 5,873,786 | 3.00               | 14.00   | 5,850,577 | 3.00                        | 14.00   | 5,873,786 | 0%                               | 3.00                        | 15.00   | 7,850,577 | 34%                           |

| Prog ID | Program Title                                | MOF   | As budgeted (FY22) |         |           | As budgeted (FY23) |         |           | Governor's Submittal (FY22) |         |           |                          | Governor's Submittal (FY23) |         |           |                          |
|---------|--|-------|--------------------|---------|-----------|--------------------|---------|-----------|-----------------------------|---------|-----------|--------------------------|-----------------------------|---------|-----------|--------------------------|
|         |  |       | Pos (P)            | Pos (T) | \$\$\$    | Pos (P)            | Pos (T) | \$\$\$    | Pos (P)                     | Pos (T) | \$\$\$    | Percent Change of \$\$\$ | Pos (P)                     | Pos (T) | \$\$\$    | Percent Change of \$\$\$ |
| BED144  | Office of Planning & Sustainable Development | A     | 26.00              | 3.00    | 2,498,380 | 26.00              | 3.00    | 2,495,191 | 26.00                       | 3.00    | 2,498,380 | 0%                       | 27.00                       | 6.00    | 2,913,975 | 17%                      |
| BED144  | Office of Planning & Sustainable Development | N     | 5.00               | 5.00    | 2,364,265 | 5.00               | 5.00    | 2,364,265 | 5.00                        | 5.00    | 2,364,265 | 0%                       | 5.00                        | 5.00    | 2,449,536 | 4%                       |
| BED144  | Office of Planning & Sustainable Development | W     | -                  | -       | 2,000,000 | -                  | -       | 2,000,000 | -                           | -       | 2,000,000 | 0%                       | -                           | -       | 2,000,000 | 0%                       |
| BED144  | Office of Planning & Sustainable Development | Total | 31.00              | 8.00    | 6,862,645 | 31.00              | 8.00    | 6,859,456 | 31.00                       | 8.00    | 6,862,645 | 0%                       | 32.00                       | 11.00   | 7,363,511 | 7%                       |
| BED146  | Natural Energy Lab of Hawaii Authority       | B     | -                  | 17.00   | 7,744,562 | -                  | 17.00   | 7,744,562 | -                           | 17.00   | 7,744,562 | 0%                       | -                           | 17.00   | 7,744,562 | 0%                       |
| BED146  | Natural Energy Lab of Hawaii Authority       | Total | -                  | 17.00   | 7,744,562 | -                  | 17.00   | 7,744,562 | -                           | 17.00   | 7,744,562 | 0%                       | -                           | 17.00   | 7,744,562 | 0%                       |

| Prog ID | Program Title                                    | MOF   | As budgeted (FY22) |         |            | As budgeted (FY23) |         |            | Governor's Submittal (FY22) |         |            |                               | Governor's Submittal (FY23) |         |            |                               |
|---------|--|-------|--------------------|---------|------------|--------------------|---------|------------|-----------------------------|---------|------------|-------------------------------|-----------------------------|---------|------------|-------------------------------|
|         |  |       | Pos (P)            | Pos (T) | \$\$\$     | Pos (P)            | Pos (T) | \$\$\$     | Pos (P)                     | Pos (T) | \$\$\$     | Percent Change of<br>\$\$\$\$ | Pos (P)                     | Pos (T) | \$\$\$     | Percent Change<br>of \$\$\$\$ |
| BED150  | Hawaii Community Development Authority           | A     | 8.00               | 1.00    | 834,082    | 8.00               | 1.00    | 834,082    | 8.00                        | 1.00    | 834,082    | 0%                            | 8.00                        | 1.00    | 834,082    | 0%                            |
| BED150  | Hawaii Community Development Authority           | B     | -                  | -       | -          | -                  | -       | -          | -                           | -       | -          | #DIV/0!                       | 13.00                       | 1.00    | 2,663,019  | #DIV/0!                       |
| BED150  | Hawaii Community Development Authority           | V     | -                  | -       | 300,000    | -                  | -       | -          | -                           | -       | 300,000    | 0%                            | -                           | -       | -          | #DIV/0!                       |
| BED150  | Hawaii Community Development Authority           | W     | 13.00              | 1.00    | 2,663,019  | 13.00              | 1.00    | 2,663,019  | 13.00                       | 1.00    | 2,663,019  | 0%                            | -                           | -       | -          | -100%                         |
| BED150  | Hawaii Community Development Authority           | Total | 21.00              | 2.00    | 3,797,101  | 21.00              | 2.00    | 3,497,101  | 21.00                       | 2.00    | 3,797,101  | 0%                            | 21.00                       | 2.00    | 3,497,101  | 0%                            |
| BED160  | Hawaii Housing Finance & Development Corporation | N     | -                  | -       | 3,100,000  | -                  | -       | 3,100,000  | -                           | -       | 3,100,000  | 0%                            | -                           | -       | 3,100,000  | 0%                            |
| BED160  | Hawaii Housing Finance & Development Corporation | P     | -                  | -       | 3,000,000  | -                  | -       | 3,000,000  | -                           | -       | 3,000,000  | 0%                            | -                           | -       | 3,000,000  | 0%                            |
| BED160  | Hawaii Housing Finance & Development Corporation | W     | 25.00              | 40.00   | 12,289,871 | 25.00              | 40.00   | 12,289,871 | 25.00                       | 40.00   | 12,289,871 | 0%                            | 25.00                       | 40.00   | 12,289,871 | 0%                            |

Department of Business, Economic Development and Tourism  
Program ID Totals

Table 3

| Prog ID          | Program Title  | MOF   | As budgeted (FY22) |         |             | As budgeted (FY23) |         |             | Governor's Submittal (FY22) |         |             |                                  | Governor's Submittal (FY23) |         |             |                               |
|------------------|--|-------|--------------------|---------|-------------|--------------------|---------|-------------|-----------------------------|---------|-------------|----------------------------------|-----------------------------|---------|-------------|-------------------------------|
|                  |  |       | Pos (P)            | Pos (T) | \$\$\$      | Pos (P)            | Pos (T) | \$\$\$      | Pos (P)                     | Pos (T) | \$\$\$      | Percent Change of<br>of \$\$\$\$ | Pos (P)                     | Pos (T) | \$\$\$      | Percent Change<br>of \$\$\$\$ |
| BED160           | Hawaii<br>Housing<br>Finance &<br>Development<br>Corporation | Total | 25.00              | 40.00   | 18,389,871  | 25.00              | 40.00   | 18,389,871  | 25.00                       | 40.00   | 18,389,871  | 0%                               | 25.00                       | 40.00   | 18,389,871  | 0%                            |
|                  |  |       |                    |         |             |                    |         |             |                             |         |             |                                  |                             |         |             |                               |
| DEPARTMENT TOTAL |  | A     | 105.46             | 37.00   | 13,527,230  | 105.46             | 37.00   | 13,500,832  | 105.46                      | 37.00   | 13,527,230  | 0%                               | 106.46                      | 72.20   | 77,592,498  | 475%                          |
|                  |  | B     | 16.00              | 22.00   | 99,120,839  | 16.00              | 22.00   | 99,120,839  | 16.00                       | 22.00   | 99,120,839  | 0%                               | 29.00                       | 23.80   | 132,848,858 | 34%                           |
|                  |  | N     | 6.54               | 5.00    | 6,079,582   | 6.54               | 5.00    | 6,079,582   | 6.54                        | 5.00    | 6,079,582   | 0%                               | 6.54                        | 5.00    | 6,164,853   | 1%                            |
|                  |  | P     | 6.50               | 9.00    | 5,276,337   | 6.50               | 9.00    | 5,276,337   | 6.50                        | 9.00    | 5,276,337   | 0%                               | 6.50                        | 10.00   | 5,276,337   | 0%                            |
|                  |  | R     | -                  | -       | -           | -                  | -       | -           | -                           | -       | -           | -                                | -                           | -       | -           | #DIV/0!                       |
|                  |  | T     | -                  | -       | 240,000     | -                  | -       | 240,000     | -                           | -       | 240,000     | 0%                               | -                           | -       | 7,146,250   | 2878%                         |
|                  |  | V     | 1.00               | 24.00   | 75,450,000  | 1.00               | 24.00   | 15,150,000  | 1.00                        | 24.00   | 75,450,000  | 0%                               | -                           | -       | 4,150,000   | -73%                          |
|                  |  | W     | 38.00              | 41.00   | 21,292,008  | 38.00              | 41.00   | 21,292,008  | 38.00                       | 41.00   | 21,292,008  | 0%                               | 25.00                       | 40.00   | 18,628,989  | -13%                          |
|                  |  | Total | 173.50             | 138.00  | 220,985,996 | 173.50             | 138.00  | 160,659,598 | 173.50                      | 138.00  | 220,985,996 | 0%                               | 173.50                      | 151.00  | 251,807,785 | 57%                           |



Department of Business, Economic Development and Tourism  
Budget Decisions

| Prog ID  | Sub-Org | Description of Request   | MOF | Initial Department Requests |         |        |         |         |              | Budget and Finance Recommendations |         |        |         |         |              | Governor's Decision |         |        |         |         |              |
|----------|---------|--|-----|-----------------------------|---------|--------|---------|---------|--------------|------------------------------------|---------|--------|---------|---------|--------------|---------------------|---------|--------|---------|---------|--------------|
|          |         |  |     | FY22                        |         |        | FY23    |         |              | FY22                               |         |        | FY23    |         |              | FY22                |         |        | FY23    |         |              |
|          |         |  |     | Pos (P)                     | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$       | Pos (P)                            | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$       | Pos (P)             | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$       |
| BED100SM | N/A     | Building Renovations   | A   |                             |         |        | -       | -       | 150,000      |                                    |         |        | -       | -       | 40,000       |                     |         |        | -       | -       | 500,000      |
| BED100SM | N/A     | Matching Funds for Federal Grant   | A   |                             |         |        | -       | -       | 160,000      |                                    |         |        | -       | -       | 160,000      |                     |         |        | -       | -       | 160,000      |
| BED105CI | N/A     | Funding for Personal Services  | A   |                             |         |        | -       | -       | 245,052      |                                    |         |        | -       | -       | 156,588      |                     |         |        | -       | -       | 245,052      |
| BED113TO | N/A     | Hawaii Tourism Authority Operations (Reduce ARPA FTE)                                  | V   |                             |         |        | (1.00)  | (22.25) | -            |                                    |         |        | (1.00)  | (22.25) | -            |                     |         |        | (1.00)  | (22.25) | -            |
| BED113TO | N/A     | Hawaii Tourism Authority Operations - Request General Funds                            | A   |                             |         |        | 1.00    | 23.20   | 60,000,000   |                                    |         |        | 1.00    | 23.20   | 60,000,000   |                     |         |        | 1.00    | 23.20   | 60,000,000   |
| BED113XC | N/A     | Hawaii Tourism Authority Operations (Convention Center - Reduce ARPA FTE and funds)    | V   |                             |         |        | -       | (1.75)  | (11,000,000) |                                    |         |        | -       | (1.75)  | (11,000,000) |                     |         |        | -       | (1.75)  | (11,000,000) |
| BED113XC | N/A     | Hawaii Tourism Authority Operations (Convention Center - Request Special Fund Ceiling) | B   |                             |         |        | -       | 0.80    | 28,500,000   |                                    |         |        | -       | 0.80    | 28,500,000   |                     |         |        | -       | 0.80    | 28,500,000   |
| BED120SI | N/A     | Funds for Payroll  | A   |                             |         |        | -       | -       | 66,915       |                                    |         |        | -       | -       | 66,915       |                     |         |        | -       | -       | 66,915       |
| BED120SI | N/A     | Change MOF for Positions   | A   |                             |         |        | -       | 4.00    | 351,000      |                                    |         |        | -       | -       | -            |                     |         |        | -       | 4.00    | 175,500      |
| BED120SI | N/A     | Funds for two authorized positions   | A   |                             |         |        | -       | -       | 160,000      |                                    |         |        | -       | -       | 160,000      |                     |         |        | -       | -       | 160,000      |
| BED120SI | N/A     | Federal Cost Match   | B   |                             |         |        | -       | -       | 2,500,000    |                                    |         |        | -       | -       | 1,500,000    |                     |         |        | -       | -       | 2,500,000    |
| BED120SI | N/A     | HSEO Positions and Funds   | A   |                             |         |        | -       | 5.00    | 181,920      |                                    |         |        | -       | 3.00    | 103,350      |                     |         |        | -       | 4.00    | 142,715      |
| BED120SI | N/A     | Data Lake  | A   |                             |         |        | -       | -       | 30,000       |                                    |         |        | -       | -       | -            |                     |         |        | -       | -       | 30,000       |
| BED120SI | N/A     | Convert Position from Permanent to Temporary   | A   |                             |         |        | (1.00)  | 1.00    | -            |                                    |         |        | (1.00)  | 1.00    | -            |                     |         |        | (1.00)  | 1.00    | -            |
| BED120SI | N/A     | Trust fund ceiling for the VW Environmental Mitigation Trust Agreement                 | T   |                             |         |        | -       | -       | 6,906,250    |                                    |         |        | -       | -       | 6,906,250    |                     |         |        | -       | -       | 6,906,250    |
| BED120SI | N/A     | Special Fund Assessments   | B   |                             |         |        | -       | -       | 65,000       |                                    |         |        | -       | -       | 65,000       |                     |         |        | -       | -       | 65,000       |
| BED120SI | N/A     | Funds for International Outreach and Engagement  | A   |                             |         |        | -       | -       | 51,500       |                                    |         |        | -       | -       | 31,500       |                     |         |        | -       | -       | 31,500       |
| BED130GA | N/A     | Matching funds for Labor Research  | A   |                             |         |        | -       | -       | 94,000       |                                    |         |        | -       | -       | 94,000       |                     |         |        | -       | -       | 94,000       |
| BED130TR | N/A     | Tourism Research   | A   |                             |         |        | -       | -       | 2,013,728    |                                    |         |        | -       | -       | 2,000,000    |                     |         |        | -       | -       | -            |
| BED142AA | N/A     | Add funding for Fiscal Officer   | A   |                             |         |        | -       | -       | 67,200       |                                    |         |        | -       | -       | 67,200       |                     |         |        | -       | -       | 67,200       |
| BED142AA | N/A     | Hawaii Broadband Digital Equity Office   | A   |                             |         |        | -       | -       | 100,000      |                                    |         |        | -       | -       | -            |                     |         |        | -       | -       | -            |
| BED143TE | N/A     | Accelerator Program  | A   |                             |         |        | -       | -       | 500,000      |                                    |         |        | -       | -       | 350,000      |                     |         |        | -       | -       | 500,000      |
| BED143TE | N/A     | HSBIR Phase II and III   | A   |                             |         |        | -       | -       | 1,000,000    |                                    |         |        | -       | -       | 500,000      |                     |         |        | -       | -       | 1,000,000    |
| BED143TE | N/A     | Manufacturing Assistance Program   | A   |                             |         |        | -       | -       | 500,000      |                                    |         |        | -       | -       | 500,000      |                     |         |        | -       | -       | 500,000      |
| BED143TE | N/A     | MEP Project Engineer   | P   |                             |         |        | -       | 1.00    | -            |                                    |         |        | -       | 1.00    | -            |                     |         |        | -       | 1.00    | -            |
| BED144PL | N/A     | Adjust federal fund ceiling  | N   |                             |         |        | -       | -       | 22,502       |                                    |         |        | -       | -       | 22,502       |                     |         |        | -       | -       | 22,502       |
| BED144PZ | N/A     | Adjust federal fund ceiling  | N   |                             |         |        | -       | -       | 62,769       |                                    |         |        | -       | -       | 62,769       |                     |         |        | -       | -       | 62,769       |
| BED144PL | N/A     | Add funding for Planner V (#34588)   | A   |                             |         |        | -       | -       | 62,136       |                                    |         |        | -       | -       | 62,136       |                     |         |        | -       | -       | 62,136       |
| BED144PL | N/A     | Add (5) positions and funding for Statewide Sustainability Program                     | A   |                             |         |        | 2.00    | 3.00    | 318,068      |                                    |         |        | -       | 2.00    | 151,820      |                     |         |        | 1.00    | 3.00    | 273,572      |
| BED144PL | N/A     | Restore funding for the vacant Special Plans Branch Manager position                   | A   |                             |         |        | -       | -       | -            |                                    |         |        | -       | -       | -            |                     |         |        | -       | -       | 83,076       |
| BED150KA | N/A     | Convert Two Staff from MOF W to A  | W   |                             |         |        | (2.00)  | -       | (354,820)    |                                    |         |        | -       | -       | -            |                     |         |        | -       | -       | -            |
| BED150KA | N/A     | Convert Two Staff from MOF W to A  | A   |                             |         |        | 2.00    | -       | 354,820      |                                    |         |        | -       | -       | -            |                     |         |        | -       | -       | -            |
| BED150KA | N/A     | Convert MOF from W to B  | W   |                             |         |        | (13.00) | -       | (2,343,019)  |                                    |         |        | (13.00) | -       | (2,343,019)  |                     |         |        | (13.00) | -       | (2,343,019)  |
| BED150KA | N/A     | Convert MOF from W to B  | B   |                             |         |        | 13.00   | -       | 2,343,019    |                                    |         |        | 13.00   | -       | 2,343,019    |                     |         |        | 13.00   | -       | 2,343,019    |
| BED150KL | N/A     | Convert MOF from W to B  | W   |                             |         |        | -       | (1.00)  | (320,000)    |                                    |         |        | -       | (1.00)  | (320,000)    |                     |         |        | -       | (1.00)  | (320,000)    |
| BED150KL | N/A     | Convert MOF from W to B  | B   |                             |         |        | -       | 1.00    | 320,000      |                                    |         |        | -       | 1.00    | 320,000      |                     |         |        | -       | 1.00    | 320,000      |

Department of Business, Economic Development and Tourism  
Proposed Budget Reductions

Table 5

| <u>Prog ID</u> | <u>Sub-Org</u> | <u>Description of Reduction</u> | <u>Impact of Reduction</u> | <u>MOF</u> | <u>FY22</u>    |                |                 | <u>FY23</u>    |                |                 | <u>FY21<br/>Restriction<br/>(Y/N)</u> |
|----------------|----------------|---------------------------------|----------------------------|------------|----------------|----------------|-----------------|----------------|----------------|-----------------|---------------------------------------|
|                |                |                                 |                            |            | <u>Pos (P)</u> | <u>Pos (T)</u> | <u>\$\$\$\$</u> | <u>Pos (P)</u> | <u>Pos (T)</u> | <u>\$\$\$\$</u> |                                       |
|                |                | None                            |                            |            |                |                |                 |                |                |                 |                                       |

Department of Business, Economic Development and Tourism  
Proposed Budget Additions

Table 6

| Prog ID | Sub-Org | Addition Type | Prog ID Priority | Dept-Wide Priority | Description of Addition  | Justification   | MOF | FY22    |         |        | FY23    |         |            |
|---------|---------|---------------|------------------|--------------------|--|---|-----|---------|---------|--------|---------|---------|------------|
|         |         |               |                  |                    |  |   |     | Pos (P) | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$     |
| BED100  | SM      | NR            | 1                | 1                  | Building Renovations   | In 2022-2023, the entire 5th floor of DBEDT offices at the Hemmeter Bldg. will undergo major renovations—painting, flooring, reconfigurations of office spaces, ceiling replacement, air conditioning improvements, and overall construction work. Costs that the Department is responsible for that are not financed by DAGS include moving expenses prior to and after renovations; storage of files and furniture during construction; dismantling, replacement or refurbishment of almost 30 year old partitions for which replacement parts are not available; rent for temporary offices off site primarily at the Convention Center; temporary tele-communications and IT hardware set-up; kitchens, conference and restrooms renovation. Approximately 50 staff persons will be affected by the renovations and the project is expected to last one year. | A   | -       | -       | -      | -       | -       | 500,000    |
| BED100  | SM      | AR            | 2                | 1                  | Matching Funds for Federal Grant   | Division will be applying for a total of \$800,000 grant from SBA to assist small businesses sport products and services. This requires \$160,000 match from our program. Small businesses have been devastated by the Covid-19 pandemic, and it is anticipated international markets, especially Japan, will open up in 2022-23 and thereon, and will be prime for exports.  | A   | -       | -       | -      | -       | -       | 160,000    |
| BED105  | CI      | AR            | 1                | 1                  | Funding for Personal Services  | Positions were unfunded in SLH2021. Critical statutory duties are handled by these positions; Act 275, lead position overseeing tax credit programs for film and research tax credits; Act 228, lead position overseeing Act 228, lead position handling Film and Creative Industries Development Special Fund, all grant writing, reporting for federal, foundation funds to advance creative/tech infrastructure statewide, oversees fiscal operations including media, music and creative spaces development; Film Permitting program lead position for all statewide film permits, updating online system to improve efficiencies and reporting metrics, handles all website updates.   | A   | -       | -       | -      | -       | -       | 245,052    |
| BED113  | TO      | AR            | 1                | 1                  | Hawaii Tourism Authority Operations - Request General Funds                            | The Fiscal Year 2022 budget for the HTA was provided through Act 1; however, unlike past years, a budget dollar amount was not provided for in the biennium budget for the subsequent fiscal year, Fiscal Year 2023. In order to successfully meet carry out our mission, goals, and objectives, as described in HRS 201-B, a General Fund appropriation is being requested.  | A   | -       | -       | -      | 1.00    | 23.20   | 60,000,000 |
| BED113  | XC      | NG            | 1                | 1                  | Hawaii Tourism Authority Operations (Convention Center - Request Special Fund Ceiling) | In order to expend funds from the Convention Center Enterprise Special Fund, an appropriation ceiling (limit) is required. This appropriation ceiling will allow the Convention Center to fund its operations and maintenance needs for FY2023.   | B   | -       | -       | -      | -       | 0.80    | 28,500,000 |
| BED120  | SI      | AR            | 1                | 1                  | Funds for Payroll  | Act 122, SLH 2019 established that the Hawaii State Energy Office be led by the Chief Energy Officer. However, the legislation did not authorize a position or appropriate funds for the position. To meet the intent of Act 122, DBEDT/HSEO redescribed one of its existing positions and varied the salary in accordance with the amount determined by the Governor for the position prior to appointment of a CEO. A payroll deficit resulted requiring HSEO to use OCE funds to cover the shortfall in prior years. With the drastic reductions to OCE in FY22, HSEO can no longer cover the payroll deficit and must request additional payroll funds. In FY22, the actual CEO salary is \$147,540, and the budget amount is \$80,625, leaving a deficit of \$66,915.  | A   | -       | -       | -      | -       | -       | 66,915     |

Department of Business, Economic Development and Tourism  
Proposed Budget Additions

Table 6

| Prog ID | Sub-Org | Addition Type | Prog ID Priority | Dept-Wide Priority | Description of Addition            | Justification   | MOF | FY22    |         |        | FY23    |         |           |
|---------|---------|---------------|------------------|--------------------|------------------------------------|---|-----|---------|---------|--------|---------|---------|-----------|
|         |         |               |                  |                    |                                    |   |     | Pos (P) | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$    |
| BED120  | SI      | AR            | 2                | 2                  | Change MOF for Positions           | HSEO staffing has undergone severe reductions, from 33 positions in FY19 to 22 positions in FY22. To provide adequate resources for HSEO activities and programs, temporary 100% federal funded positions were established and filled. While not sustainable, the positions were essential to fill critical ongoing needs. This request is to covert the MOF to general funds and authorize four positions. Without moving this position to general funds, the capability to support Hawaii during an emergency will degrade to lower levels of responsiveness, to address energy efficiency and transportation emissions through VMT reduction and related strategies, and to provide the current level of coordination and support to Oahu, much less other islands, will expire upon completion of the federal funds or not obtaining another source of funding.   | A   | -       | -       | -      | -       | 4.00    | 175,500   |
| BED120  | SI      | AR            | 3                | 1                  | Funds for two authorized positions | If general funded, these positions will provide continuous engagement in a cornerstone activity decarbonization through alternative fueled transportation. The position will also support the transition and optimization of the State's fleet to Zero-Emission Vehicles (ZEVs) in line with statutory goals and procurement guidelines. The Energy Analyst will provide management support for the design and implementation of HSEO's portfolio of clean transportation program activities and projects in support of achieving the state's decarbonization policies and goals. The Energy Program Specialist is needed for successful identification of permits, processes, resources and attributes, leading to effective management of issues and concerns, thus supporting HSEO efforts to improve processes to appropriately site, affordably price, efficiently permit, and successfully complete renewable energy projects in Hawaii.  | A   | -       | -       | -      | -       | -       | 160,000   |
| BED120  | SI      | AR            | 4                | 4                  | Federal Cost Match                 | A special fund ceiling is requested for the Energy Security Special Fund (ESSF) to provide cost match and/or working capital for federal grant applications. The ability to contribute cost match would position the HSEO to apply or partner with other entities for federal grants. Special fund dollars would leverage federal funds up to 3-4 times for projects in support of the State's energy and decarbonization goals. Federal and non-governmental grants and funding opportunities are increasing with the urgency to reduce emissions and switch to renewable energy. The federal government is preparing an infrastructure bill with numerous sources of funding approximating \$780 million for energy and decarbonization programs and projects. HSEO anticipates funding to become available in the spring and summer of 2022. Successfully competing for such dollars often requires cost match or working capital. HSEO's ability to pursue federal funding opportunities will be limited by the state funds available for cost match and/or working capital, and it may need to forego competing for much of the largest stimulus appropriations in US history. HSEO estimates that based on it's current USDOE State Energy Program formula allocation, it could potentially be eligible to compete for as much as \$200 Million in federal funds in the infrastructure bill. With an average cost match requirement of 10-20%, HSEO would require \$20-40 Million in state funding order to compete for such opportunities. This request for \$2.5 Million from the ESSF would allow HSEO to compete at some level, with other entities partnering to contribute additional cost match. | B   | -       | -       | -      | -       | -       | 2,500,000 |

Department of Business, Economic Development and Tourism  
Proposed Budget Additions

Table 6

| Prog ID | Sub-Org | Addition Type | Prog ID Priority | Dept-Wide Priority | Description of Addition                      | Justification  | MOF | FY22    |         |        | FY23    |         |         |
|---------|---------|---------------|------------------|--------------------|--|--|-----|---------|---------|--------|---------|---------|---------|
|         |         |               |                  |                    |  |  |     | Pos (P) | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$  |
| BED120  | SI      | NG            | 5                | 2                  | HSEO Positions and Funds                     | HSEO staffing has undergone severe reductions, from 33 positions in FY19 to 22 positions in FY22. To provide adequate resources for HSEO activities and programs, the following positions are necessary: Energy Grants Specialist, Regulatory Assistant, Energy Economics Specialist and Energy Jobs Development Specialist. Without the Energy Grant Specialist, HSEO will only be able to pursue a limited number of only the highest priority grants and forego competing for much of the largest stimulus appropriations in US history. Without the Regulatory Assistant, HSEO will continue to have a reactive role limited to participating in only the most critical legislative and regulatory processes. Without the Energy Economics Specialist, HSEO will continue to be reactive to proposed changes in financing or tax incentives and have limited contributions to improving such policies. Without the Energy Jobs Development Specialist, HSEO will continue to be reactive in responding to assistance with workforce development mainly through information distribution.   | A   | -       | -       | -      | -       | 4.00    | 142,715 |
| BED120  | SI      | AR            | 6                | 5                  | Data Lake                                    | Request funds for OCE for an HSEO Data Lake to serve as a shared repository for energy data sources and elements – MOF A \$30,000 (recurring). HRS §196-72, stipulates that HSEO's CEO shall: "Develop and maintain a comprehensive and systematic quantitative and qualitative capacity to analyze the status of energy resources, systems, and markets, both in-state and in other states and countries..." and "Act as the State's energy data clearinghouse by identifying, collecting, compiling, analyzing, publishing, and where possible, monetizing energy and clean transportation data and analyses."   | A   | -       | -       | -      | -       | -       | 30,000  |
| BED120  | SI      | AR            | 7                | 3                  | Convert Position from Permanent to Temporary | Act 122, SLH 2019 established the Hawaii State Energy Office as an attached agency of DBEDT. Section 14 of Act 122 provides that "any incumbent employee shall retain the employee's: (1) Civil service status, whether permanent or temporary; (2) Salary, seniority (except as may be prescribed by applicable collective bargaining agreement), retention points, prior service credit, any vacation and sick leave credits previously earned, and other rights, benefits, and privileges, in accordance with state personnel laws; provided further that the positions as described in section 76-10 16(b) (17), Hawaii Revised Statutes, shall continue to be exempt from the provisions of chapter 76, Hawaii Revised Statutes.<br><br>Section 196-72(c) provides that the "chief energy officer shall hire staff necessary to carry out the purposes of this part. The chief energy officer and employees of the Hawaii state energy office shall be exempt from chapter 76 and shall not be considered civil service employees but shall be entitled to any employee benefit plan normally inuring to civil service employees."<br><br>The Secretary II, SR14, a civil service position, became vacant in February 2021. HSEO subsequently receive the Governor's approval of an exception to fill the position. Upon receipt of this approval, HSEO re-described the position to HSEO Administrative Assistant, SRNA and changed it to an exempt position. The position is expected to be filled by mid-October 2021. A job offer has been made and accepted.<br><br>This request is to convert the position in the budget from permanent to temporary by moving the FTE and funds. | A   | -       | -       | -      | (1.00)  | 1.00    | -       |

Department of Business, Economic Development and Tourism  
Proposed Budget Additions

Table 6

| Prog ID | Sub-Org | Addition Type | Prog ID Priority | Dept-Wide Priority | Description of Addition  | Justification   | MOF | FY22    |         |        | FY23    |         |           |
|---------|---------|---------------|------------------|--------------------|--|---|-----|---------|---------|--------|---------|---------|-----------|
|         |         |               |                  |                    |  |   |     | Pos (P) | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$    |
| BED120  | SI      | NG            | 8                | 1                  | Trust fund ceiling for the VW Environmental Mitigation Trust Agreement | In order to deliver on the Beneficiary Mitigation Plan under the Volkswagen (VW) settlement, an expenditure ceiling for Volkswagen trust funds is requested. Administrative expenditures are covered by appropriation account T-909-B. Non-administrative expenditures for eligible mitigation actions represent 85% of Hawaii's \$8,125,000 allocation. An expenditure ceiling of \$6,906,250, is requested each year through FY27 because of the uncertainty of timing for project development/deployment and trustee approval of funding requests. The Environmental Mitigation Trust (Trust) – Appendix D of the Settlement Consent Decree – was established by VW to fulfill its environmental obligations under the settlement by funding projects intended to offset the excess NOx emissions generated by the non-compliant VW vehicles. The Trust targets large mobile emissions sources by focusing on reducing nitrogen oxides (NOx) emissions primarily from medium and large marine and land vehicles. Hawaii is the beneficiary of \$8,125,000 of Trust Funds and has until October 2027 to spend this allocation. Projects aiming to reduce vehicle emissions and providing solutions for clean transportation support the State in its clean energy goals. Current resources include 1 full-time Clean Transportation Analyst with HSEO; additional federal funding from Dep. of Health Clean Air Branch U.S. EPA DERA program; and equipment cost-share from project partners. | T   | -       | -       | -      | -       | -       | 6,906,250 |
| BED120  | SI      | NG            | 9                | 1                  | Special Fund Assessments   | Special fund reimbursements for departmental administrative expenses are mandated pursuant to Section 36-30, HRS. Transfers from special funds for central service expenses are mandated pursuant to Section 36-27, HRS. An expenditure ceiling is needed for the Energy Security Special Fund (ESSF) for HSEO to meet its obligation of transferring central service expenses and departmental administrative expenses to the general fund. If an appropriation ceiling is not provided, an alternative would be to statutorily exempt the Energy Security Special Fund from owing the special fund assessments. Based on anticipated annual revenue into the ESSF and planned expenditures, special fund assessments are estimated to be \$65,000 each fiscal year.   | B   | -       | -       | -      | -       | -       | 65,000    |

Department of Business, Economic Development and Tourism  
Proposed Budget Additions

Table 6

| Prog ID | Sub-Org | Addition Type | Prog ID Priority | Dept-Wide Priority | Description of Addition                         | Justification  | MOF | FY22    |         |        | FY23    |         |        |
|---------|---------|---------------|------------------|--------------------|---|--|-----|---------|---------|--------|---------|---------|--------|
|         |         |               |                  |                    |   |  |     | Pos (P) | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$ |
| BED120  | SI      | AR            | 10               | 1                  | Funds for International Outreach and Engagement | <p>On June 1, 2017, Governor David Ige issued a statement in support of the Paris Agreement, also known as the Paris Climate Accord. "Hawai'i and other Pacific Islands are already experiencing the impact of rising sea levels and natural disasters. That's why my administration and the Legislature are already taking concrete steps to implement the Paris Climate Accord. Hawai'i will continue to fulfill its kuleana on reaching our energy, water, land and other sustainability goals to make island Earth a home for all. The innovation economy is driven by technology, clean energy, and green jobs. We will continue to lead on this transformation and work collaboratively with people around the world."</p> <p>On June 5, 2017, Hawaii joined the "We Are Still In" coalition with governors, state attorneys general, mayors, universities and business leaders across the country, pledging to maintain commitment and lead the world in reducing greenhouse gas emissions. "Together, we will remain actively engaged with the international community as part of the global effort to hold warming to well below 2 and to accelerate the transition to a clean energy economy that will benefit our security, prosperity, and health."</p> <p>Funding is requested for outreach and engagement on an international level in support of this commitment. Activities may include travel to global conferences, e.g., the annual United Nations Climate Change Conference, the International Union for Conservation of Nature (IUCN) World Conservation Congress, and other such events. Request is for 3 trips at \$7,500 each to include airfare, lodging, per diem, ground transportation. Activities may also include traveling to and/or hosting the HSEO-Okinawa Task Force meeting and workshop -- hosting venue (3 days at \$2,000/day), translation services (\$3,000).</p> | A   | -       | -       | -      | -       | -       | 31,500 |
| BED130  | GA      | AR            | 1                | 1                  | Matching funds for Labor Research               | Act 88 transferred Labor Research and Statistics Office to READ, but missed the state matching fund for the other current expenses for the Occupational & Health Statistics Program.   | A   | -       | -       | -      | -       | -       | 94,000 |
| BED142  | AA      | AR            | 1                | 1                  | Add funding for Fiscal Officer                  | DBEDT is a unique department with 4 divisions and multiple attached agencies that work in various sectors of the economy from land use, housing, tourism, research and more. BED142 requests funds for the Fiscal Officer position (#12888) to enhance program effectiveness and efficiency of fiscal and budgeting operations across the board. The position was unfunded in the previous biennium, FB 19-21. The position has been vacant for the past two years and with the recent turnover of other critical supervisory positions, it is imperative that this position be filled to ensure DBEDT stays compliant with all regulatory and statutory obligations. During the 2021 Legislative Session, DBEDT has been a recipient of new employees and responsibilities transferred in from DLIR and DOH. As a result, BED130 READ must work with federal funds for the first time in the program's history. Additionally, all BED113 HTA transactions must be pre-audited by DBEDT-Fiscal before going to DAGS. These legislative changes have increased workload for our current fiscal staff and is taking a toll. We currently have an employee temporarily assigned to the Fiscal Officer position but that situation is not sustainable or reasonable long-term.   | A   | -       | -       | -      | -       | -       | 67,200 |

Department of Business, Economic Development and Tourism  
Proposed Budget Additions

Table 6

| Prog ID | Sub-Org | Addition Type | Prog ID Priority | Dept-Wide Priority | Description of Addition          | Justification   | MOF | FY22    |         |        | FY23    |         |           |
|---------|---------|---------------|------------------|--------------------|----------------------------------|---|-----|---------|---------|--------|---------|---------|-----------|
|         |         |               |                  |                    |                                  |   |     | Pos (P) | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$    |
| BED143  | TE      | AR            | 3                | 4                  | Accelerator Program              | For FY18 \$1 million was appropriated to provide operational funding to support Hawaii's Startup Accelerators. The accelerators in Hawaii are still in their early formation and need financial support to provide the necessary training to equip young entrepreneurs for success. Hawaii's accelerator programs have received national recognition for their programs and achievements. These accelerators support early-stage, growth-driven companies in Hawaii through education and mentorship. The accelerator experience for these startup companies is a process of intense, rapid, and immersive education aimed at accelerating the life cycle of young innovative companies, thereby potentially improving startups' outcomes.  | A   | -       | -       | -      | -       | -       | 500,000   |
| BED143  | TE      | AR            | 1                | 4                  | HSBIR Phase II and III           | Hawaii small businesses have been nationally competitive in securing SBIR phase I and II grants due in large part to the existing Hawaii SBIR matching grant program. SBIR companies in Hawaii support high wage jobs where nearly 50% staff earn more than \$100,000 annually. The existing Hawaii SBIR program has a successful track record attracting over 20 federal dollars for each state dollar. The Hawaii SBIR matching grant program is critical for the development of Hawaii's high tech industry. Without the grant, businesses are falling short of the goal of getting their product to market due to lack of follow-on funding. The grant funding helps to: 1) fully develop a commercial product 2) secure additional investment from joint venture, angel and venture funding, and 3) manufacture and sell their products.<br><br>Act 216, SLH 2015 appropriated \$2 million to provide state matching funds to address this shortfall. The new phase II and phase III matching grant is targeted support to help businesses bridge the funding gap prior to larger scale investments and commercialization opportunities that provide sustained revenue streams. In 2016 total economic impact of HSBIR funded companies was \$89.5 million. In FY16 and FY17 \$2 million was appropriated each year funding a total of 22 SBIR companies. FY18 \$1,500,000 and FY19 \$1,000,000. | A   | -       | -       | -      | -       | -       | 1,000,000 |
| BED143  | TE      | AR            | 2                | 1                  | Manufacturing Assistance Program | The Manufacturing Assistance program was signed into law by Governor Ige in June 2015. The goal of the program is to reduce the need to import consumer products and make Hawaii companies more competitive in the global market by increasing manufacturing in Hawaii. Hawaii's manufacturing companies export products throughout the world, where Made in Hawaii products are desired globally. Manufacturers in Hawaii are challenged to compete because of the high cost of electricity and shipping. The grant program provides funding for businesses to expand by helping with the cost of purchasing equipment, becoming energy efficient, training employees on the use of the equipment, and conducting feasibility studies for new facilities. The support helps Hawaii manufacturers become more efficient and competitive, allowing them to scale its operations for local and/or international production. Act 215, SLH 2015 appropriated \$2 million which funded 51 companies who invested \$38 million in matching funds. The following year, FY17, MAP received \$1 million in appropriation which funded 25 of the 41 applicants. In FY18 MAP received \$1 million, FY19 \$1,000,000, FY20 \$500,000. This program was not funded in FY21 and FY22 due to budget constraints.   | A   | -       | -       | -      | -       | -       | 500,000   |
| BED143  | TE      | NG            | 4                | 3                  | MEP Project Engineer             | Position #123292 was created to manage projects in HTDC's Innovate Hawaii Program. This position is 100% Federally funded and no funds are included in this request. This request is for housekeeping to update the formal budget to match HTDC position headcount.   | P   | -       | -       | -      | -       | 1.00    | -         |



Department of Business, Economic Development and Tourism  
Proposed Budget Additions

Table 6

| Prog ID | Sub-Org | Addition Type | Prog ID Priority | Dept- Wide Priority | Description of Addition  | Justification   | MOF | FY22    |         |        | FY23    |         |         |
|---------|---------|---------------|------------------|---------------------|--|---|-----|---------|---------|--------|---------|---------|---------|
|         |         |               |                  |                     |  |   |     | Pos (P) | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$  |
| BED144  | PL      | AR            | 2                | 1                   | Add funding for Planner V (#34588)                                   | If the funding for this position remain unfunded, the Office will not be able to perform its statutory functions which will jeopardize many ERP programs, including environmental related functions as specified in Ch 341 & 343 HRS. The Office is still currently operating with the remaining three staff to meet some statutory requirements including publishing the bi-monthly Environmental Notice and providing staff support to the Environmental Advisory Council that was created pursuant to Ch 341 HRS. The Planner V (#34588) communicates with State, county, and federal agencies, legislators, private industry, media and the general public regarding Chapter 343 and EC rules and regulations. This position develops recommendations for environmental legislation, monitors legislative activities, reviews proposed legislation and prepares legislative testimony.  | A   | -       | -       | -      | -       | -       | 62,136  |
| BED144  | PL      | AR            | 3                | 3                   | Add (4) positions and funding for Statewide Sustainability Program   | The Statewide Sustainability Branch was recently enacted by HRS §225M-8 (Act 45, SLH 2020) to develop, organize, and promote policies and programs that assist in meeting Hawai'i's numerous sustainability and climate policies and goals. The Branch is also responsible for identifying, evaluating, and making recommendations regarding proposed legislation, regulatory changes, and policy modifications to the Governor, Legislature, government agencies, private entities, and other bodies related to Hawai'i's sustainability and climate resilience. Currently, the Statewide Sustainability Branch is dually staffed and administered by 1 position, the State Sustainability Coordinator. This request provides the start-up staffing to appropriately staff this statewide program. Additionally, HRS §225P-4 (Act 15, SLH 2018) enacted a permanent climate mitigation task force, the Greenhouse Gas Sequestration Task Force (GHGSTF), which is administratively attached to the Office of Planning & Sustainable Development (OPSD). However, Fiscal Years 18-19, 19-20, 20-21, and 21-22 did not provide the OPSD with necessary staff support for the GHGSTF. HRS §225P-4 requires the OPSD and the GHGSTF to submit greenhouse gas sequestration annual reports to the Legislature beginning in 2023. The staff support requested herein will provide staffing to support GHGSTF public meetings and records, statewide greenhouse gas sequestration project support, analysis and reporting. Finally, Act 88 (SLH 2021) the State Budget omitted the pay adjustment for the Sustainability Coordinator. Pay adjustment for the Sustainability Coordinator position was effective January 1, 2021, to increase the pay for this position to be within the range of a branch manager, per Act 45 (SLH 2020). BED144 should include \$32,588 A funds for FY 23 to reflect this pay adjustment. | A   | -       | -       | -      | 1.00    | 3.00    | 273,572 |
| BED144  | PL      | AR            | 1                | 1                   | Restore funding for the vacant Special Plans Branch Manager position | The Special Plans Branch Manager position has been vacant since May 1, 2020 when the incumbent was appointed to serve as the OPSD Director with return rights to the position at the end of her appointment, December 5, 2022. Personnel funds for the position were deleted from the budget by the Legislature May 2020 along with funding for all other vacant positions. The incumbent has requested to exercise her return rights at the end of her current appointment. This request is to restore funds for seven months of FY23 at the EM-05 level, \$142,416/year, or \$83,076. This position is needed to manage emergent issues as assigned by the DBEDT Director, Governor, and the Legislature, in addition to securing federal EDA funds for the CEDS and the Statewide Planning Grant.  | A   | -       | -       | -      | -       | -       | 83,076  |
| BED144  | PL      | FF            | 5                | 1                   | Adjust federal fund ceiling  | Increase appropriation ceiling due to continuing positions funded under prior federal awards.   | N   | -       | -       | -      | -       | -       | 22,502  |

Department of Business, Economic Development and Tourism  
Proposed Budget Additions

Table 6

| Prog ID | Sub-Org | Addition Type | Prog ID Priority | Dept-Wide Priority | Description of Addition     | Justification   | MOF | FY22    |         |        | FY23    |         |           |
|---------|---------|---------------|------------------|--------------------|-----------------------------|---|-----|---------|---------|--------|---------|---------|-----------|
|         |         |               |                  |                    |                             |   |     | Pos (P) | Pos (T) | \$\$\$ | Pos (P) | Pos (T) | \$\$\$    |
| BED144  | PZ      | FF            | 4                | 1                  | Adjust federal fund ceiling | Increase appropriation ceiling due to continuing positions funded under prior federal awards and increase the pay for this position to be within the range of a branch manager.                               | N   | -       | -       | -      | -       | -       | 62,769    |
| BED150  | KA      | NG            | 1                | 1                  | Convert MOF from W to B     | Act 9, SpSLH 2021, amended HCDA's statute to rename the revolving funds to special funds. The MOF was not converted in the budget. This is a housekeeping request to be in compliance with Act 9, SpSLH 2021. | B   | -       | -       | -      | 13.00   | -       | 2,343,019 |
| BED150  | KL      | NG            | 1                | 1                  | Convert MOF from W to B     | Act 9, SpSLH 2021, amended HCDA's statute to rename the revolving funds to special funds. The MOF was not converted in the budget. This is a housekeeping request to be in compliance with Act 9, SpSLH 2021. | B   | -       | -       | -      | -       | 1.00    | 320,000   |

Department of Business, Economic Development and Tourism  
 FB 2020 - 2022 Restrictions

Table 7

| Fiscal Year | Prog ID | Sub-Org | MOF | Budgeted by Dept | Restriction | Difference Between Budgeted & Restricted | Percent Difference | Impact  |
|-------------|---------|---------|-----|------------------|-------------|--|--------------------|---|
| 2022        | BED100  | N/A     | A   | 1,288,724        | 90,270      | 1,198,454                                | 7.00%              | Restrictions prevented the division from applying for federal grants due to inability to match funds  |
| 2021        | BED100  | N/A     | A   | 17,570,997       | 1,728,711   | 15,842,286                               | 9.84%              | Reduction of certain initiatives due to the restriction   |
| 2020        | BED100  | N/A     | A   | 2,585,988        | 450,000     | 2,135,988                                | 17.40%             | Unable to fund marketing projects such as tradeshows, trade missions.   |
| 2022        | BED105  | N/A     | A   | 1,412,289        | 98,860      | 1,313,429                                | 7.00%              | Impacts to business development programs. Economic recovery/resiliency compromised. OCE already must be reduced and monies transferred to Personal Services to cover two key positions which are unfunded; EDSVI and FIDSV. Both require reduction of FY22 OCE funds to provide uninterrupted services in statutory duties of film permitting and tax credit management.  |
| 2021        | BED105  | N/A     | A   | 1,508,613        | 150,861     | 1,357,752                                | 10.00%             | Reduction of program activities to stimulate Hawaii's creative economic sector hard hit by covid-19   |
| 2020        | BED105  | N/A     | A   | 1,815,093        | 227,572     | 1,587,521                                | 12.54%             | Affected recruitment of new hires by requiring a delay in hiring for 4-6 mos. to help meet 12.54% restriction imposed. OCE also restricted affecting Marketing Hawaii as a film / television destination, Creative Lab HS programs, business development, infrastructure development at coworking sites and N.I. launch of coworking sites.   |
| 2022        | BED120  | N/A     | A   | 1,958,082        | 97,904      | 1,860,178                                | 5.00%              | The restriction leaves very little funds for operating expenses after moving OCE funds to Personnel Services to cover large vacation payouts.   |
| 2021        | BED120  | N/A     | A   | 2,598,265        | 259,826     | 2,338,439                                | 10.00%             | The restriction limits the project activity that can be undertaken to promote energy efficiency, renewable energy, and clean transportation.  |
| 2020        | BED120  | N/A     | A   | 2,819,077        | 165,000     | 2,654,077                                | 5.85%              | The restriction limits the project activity that can be undertaken in promoting energy efficiency, renewable energy, and clean transportation.  |
| 2022        | BED130  | N/A     | A   | 1,987,139        | 76,984      | 1,910,155                                | 3.87%              | Reduce the number of and quality of the data products.  |
| 2021        | BED130  | N/A     | A   | 1,316,317        | 61,631      | 1,254,686                                | 4.68%              | Reduced data subscription and contracted services and impacted the quantity of data products.   |
| 2020        | BED130  | N/A     | A   | 2,066,317        | 112,500     | 1,953,817                                | 5.44%              | Have to reduce the scope of services in the contracts, reducing the quantity of deliverables  |
| 2022        | BED142  | N/A     | A   | 2,290,423        | -           | 2,290,423                                | 0.00%              | N/A   |
| 2021        | BED142  | N/A     | A   | 2,218,570        | -           | 2,218,570                                | -                  | N/A   |
| 2020        | BED142  | N/A     | A   | 3,326,258        | 164,117     | 3,162,141                                | 4.93%              | Program delayed filling certain positions due to the holdback.  |
| 2022        | BED143  | N/A     | A   | 1,258,111        | 88,000      | 1,170,111                                | 6.99%              | Funded position #101971 won't be filled until 2022. Possible reduction of HSBIR Phase 1 awards.   |
| 2021        | BED143  | N/A     | A   | 1,088,390        | 108,839     | 979,551                                  | 10.00%             | HTDC will give up our office, leave federal grant opportunities on the table because of the lack of general funds and general funded positions that are required as match, and will spend our time focused on the manufacturing industry where our program receives federal funds and the Sandbox where we need to generate revenue to cover operational expenses. The accelerator programs that we have been supporting will likely cease operation in the upcoming year leaving no remaining options in state available for new startups. Without funding for the SBIR matching grant program, the amount of federal funds these companies bring in to the state will decrease. Last year was a record year for the Phase 2/3 SBIR program with 14 phase 2 awards and 2 phase 3 awards bringing \$53 million into the state. This steady increase in federal awards from the program is a direct result of the SBIR Phase 2/3 matching grant program started in 2017. The previous year, the companies won 12 Phase 2 and \$11 million. |
| 2020        | BED143  | N/A     | A   | 3,857,222        | 303,124     | 3,554,098                                | 7.86%              | HTDC will reduce SBIR awards which go to tech companies who were awarded Federal SBIR grant which go to commercialization of products that have reached the prototype phase. HTDC will also hold less events and outreach to tech startup and manufacturing companies. These events inform companies what funds and source of information are available to help them succeed.   |
| 2022        | BED144  | N/A     | A   | 2,498,380        | 174,886     | 2,323,494                                | 7.00%              | The restriction has been accommodated through reduction in payroll, administration, and travel expenses.  |
| 2021        | BED144  | N/A     | A   | 1,568,327        | 156,832     | 1,411,495                                | 10.00%             | The restriction has been accommodated through reduction in payroll, administration, and travel expenses.  |
| 2020        | BED144  | N/A     | A   | 2,007,999        | 90,562      | 1,917,437                                | 4.51%              | The restriction has been accommodated through vacancies due to normal staff turnover.   |
| 2022        | BED150  | N/A     | A   | 834,082          | 40,000      | 794,082                                  | 4.80%              | Payroll deficit will ensue if the restriction is not lifted.  |
| 2021        | BED150  | N/A     | A   | 797,544          | -           | 797,544                                  | 0.00%              | N/A   |
| 2020        | BED150  | N/A     | A   | 1,164,984        | 78,924      | 1,086,060                                | 6.77%              | Payroll deficit incurred near end of fiscal year. Emergency appropriation enacted.  |

Department of Business, Economic Development and Tourism  
Emergency Appropriation Requests

Table 8

| <u>Prog ID</u> | <u>Description of Request</u> | <u>Explanation of Request</u> | <u>MOF</u> | <u>Pos (P)</u> | <u>Pos (T)</u> | <u>\$\$\$</u> |
|----------------|-------------------------------|-------------------------------|------------|----------------|----------------|---------------|
| None           |                               |                               |            |                |                |               |

Department of Business, Economic Development and Tourism  
 Expenditures Exceeding Appropriation Ceilings in FY21 and FY22

Table 9

| <u>Prog ID</u> | <u>MOF</u> | <u>Date</u> | <u>Appropriation</u> | <u>Amount Exceeding Appropriation</u> | <u>Percent Exceeded</u> | <u>Reason for Exceeding Ceiling</u> | <u>Legal Authority</u> | <u>Recurring (Y/N)</u> | <u>GF Impact (Y/N)</u> |
|----------------|------------|-------------|----------------------|---------------------------------------|-------------------------|-------------------------------------|------------------------|------------------------|------------------------|
|                |            | None        |                      |                                       |                         |                                     |                        |                        |                        |

Department of Business, Economic Development and Tourism  
 Intradepartmental Transfers in FY21 and FY22

Table 10

| <u>Actual or Anticipated Date of Transfer</u> | <u>MOF</u> | <u>Pos (P)</u> | <u>Pos (T)</u> | <u>\$\$\$</u> | <u>From Prog ID</u> | <u>Percent of Program ID Appropriation Transferred From</u> | <u>To Prog ID</u> | <u>Percent of Receiving Program ID Appropriation</u> | <u>Reason for Transfer</u>                                   | <u>Recurring (Y/N)</u> |
|---|------------|----------------|----------------|---------------|---------------------|---|-------------------|--|--|------------------------|
| 12/31/2020                                    | B          | -              | -              | \$ (30,000)   | BED113              | 0.04%   | BED105            | 1.34%  | DBEDT/CID - Hawaii Film Studios Repairs and Maintenance FY21 | Y                      |
| 7/12/2021                                     | B          | -              | -              | \$ 99,950     | BED105              | 4.46%   | BED113            | 0.14%  | DBEDT/CID - 5 Episode Concert Series                         | N                      |
| 7/12/2021                                     | B          | -              | -              | \$ 50,000     | BED100              | 1.13%   | BED113            | 0.07%  | DBEDT/BDSO - Hawaii x Japan Broadcast and Digital Streaming  | N                      |
| 6/15/2022                                     | B          | -              | -              | \$ (30,000)   | BED113              | 0.04%   | BED105            | 1.34%  | DBEDT/CID - Hawaii Film Studios Repairs and Maintenance FY22 | Y                      |
| 7/31/2021                                     | B          | -              | -              | \$ 5,100      | BED138              | 0.44%   | BED142            | 0.22%  | #124033 temporarily housed in HGIA                           | N                      |
| 7/31/2021                                     | B          | -              | -              | \$ 4,507      | BED138              | 0.39%   | BED142            | 0.20%  | #117227 temporarily housed in HGIA                           | N                      |
| 8/15/2021                                     | B          | -              | -              | \$ 4,507      | BED138              | 0.39%   | BED142            | 0.20%  | #117227 temporarily housed in HGIA                           | N                      |
| 8/31/2021                                     | B          | -              | -              | \$ 4,507      | BED138              | 0.39%   | BED142            | 0.20%  | #117227 temporarily housed in HGIA                           | N                      |
| 9/15/2021                                     | B          | -              | -              | \$ 4,507      | BED138              | 0.39%   | BED142            | 0.20%  | #117227 temporarily housed in HGIA                           | N                      |
| 9/30/2021                                     | B          | -              | -              | \$ 4,507      | BED138              | 0.39%   | BED142            | 0.20%  | #117227 temporarily housed in HGIA                           | N                      |
| 10/15/2021                                    | B          | -              | -              | \$ 4,507      | BED138              | 0.39%   | BED142            | 0.20%  | #117227 temporarily housed in HGIA                           | N                      |
|   | B          | -              | -              | \$ 19,926     | BED138              | 1.71%   | BED142            | 0.87%  | Estimated fringe benefit costs for #124033 and #117227       | N                      |

Department of Business, Economic Development and Tourism  
 Vacancy Report as of November 30, 2021

Table 11

| Prog ID  | Sub-Org | Date of Vacancy | Expected Fill Date | Position Number | Position Title                         | Exempt (Y/N) | SR Level | BU Code | Perm Temp (P/T) | FTE | MOF | Budgeted Amount | Actual Salary Last Paid | Authority to Hire (Y/N) | Occupied by 89 Day Hire (Y/N) | # of 89 Hire Appts | Describe if Filled by other Means   | Priority # to Retain |
|----------|---------|-----------------|--------------------|-----------------|--|--------------|----------|---------|-----------------|-----|-----|-----------------|-------------------------|-------------------------|-------------------------------|--------------------|---|----------------------|
| BED105CI | N/A     | N/A             | 07/31/22           | TBD             | Administrative Officer V               | N            | SR24     | 13      | P               | 1.0 | A   | 0               | N/A                     | N                       | N                             |                    | FY23 Admin Budget request to fund. Critical to overall CID operations due to expanded responsibilities in fiscal and administrative support areas; grants reporting. Provides a two person team for all admin and clerical support. Oversees Secretary III and OAllI staff. | 1                    |
| BED105CI | N/A     | N/A             | 07/31/22           | TBD             | Program Specialist V                   | N            | SR24     | 13      | T               | 1.0 | A   | 0               | N/A                     | N                       | N                             |                    | Lead for all infrastructure and workforce development initiatives, RFPs and P3 developments.  | 1                    |
| BED105CI | N/A     | 7/1/2021        | 04/01/22           | 49490           | Building Manager                       | N            | SR22     | 13      | P               | 1.0 | A   | \$ 75,588.00    | \$ 78,612.00            | Y                       | Y                             | 1                  | FY23 Admin Budget request to fund. Film Studio Manager  | 1                    |
| BED105CI | N/A     | N/A             | 02/01/22           | 123268          | Accountant V                           | N            | SR24     | 13      | P               | 1.0 | A   | \$ 59,616.00    | N/A                     | N                       | Y                             | 7                  | 89-day hire while awaiting DHRD posting of position to begin recruitment. Film Tax Credit / Statutory   | 1                    |
| BED105CI | N/A     | 12/31/2018      | 02/01/22           | 15079           | Business Development Program Manager   | N            | EM05     | 35      | P               | 1.0 | A   | \$ 112,188.00   | \$ 122,772.00           | Y                       | N                             |                    | 89-day approved with effective date 12/6/21. Awaiting DHRD posting and interdepartmental IVA. Statutory duties/fiscal leadership  | 1                    |
| BED105CI | N/A     | 3/1/2018        | 02/01/22           | 120760          | Economic Development Specialist V      | N            | SR24     | 13      | P               | 1.0 | A   | 0               | \$ 89,760.00            | N                       | Y                             | 3                  | FY23 Admin Budget request to fund. 89-day hire while awaiting DHRD posting of position to begin recruitment. Tax Credit lead position currently reassigned to film permitting / Statutory   | 1                    |
| BED105CI | N/A     | 4/13/2019       | 02/01/22           | 44000           | Film Industry Development Specialist V | N            | SR24     | 13      | P               | 1.0 | A   | 0               | \$ 59,616.00            | N                       | Y                             | 2                  | FY23 Admin Budget request to fund. 89-day hire ( at V sR24 level) while awaiting DHRD posting of position to begin recruitment. Film Permitting lead position / Statutory   | 1                    |
| BED107BA | N/A     | 7/16/2021       | 06/30/22           | 34735           | Business Manager V                     | N            | SR24     | 13      | P               | 1.0 | B   | \$ 81,744.00    | \$ 81,744.00            | Y                       | N                             |                    | Planned to be filled  | 1                    |
| BED107BA | N/A     | 6/6/2020        | 03/31/22           | 24170           | FTZ Warehouse Worker                   | N            | BC06     | 01      | P               | 1.0 | B   | 50,028.00       | \$ 49,632.00            | Y                       | N                             |                    | Planned to be filled  | 1                    |
| BED107BA | N/A     | 3/16/18         | 03/31/22           | 27656           | Office Assistant IV                    | N            | SR10     | 03      | P               | 1.0 | B   | \$ 31,056.00    | \$ 30,372.00            | N                       | N                             |                    | Planned to be filled  | 1                    |
| BED107BA | N/A     | 10/3/21         | 06/30/22           | 24766           | Economic Development Specialist V      | N            | SR24     | 13      | P               | 1.0 | B   | \$ 67,044.00    | \$ 69,876.00            | Y                       | N                             |                    | Planned to be filled  | 1                    |
| BED113TO | N/A     | 10/30/2021      | 12/13/21           | 107924          | HTA Administrative Assistant           | Y            | SRNA     | 3       | T               | 1.0 | V   | \$ 44,484.00    | \$ 44,484.00            | Y                       | N                             |                    | NA  | 1                    |
| BED113TO | N/A     | 10/29/2021      | 12/31/21           | 107921          | HTA Contracts & Admin Mgr              | Y            | SRNA     | 13      | T               | 1.0 | B   | \$ 57,336.00    | \$ 57,336.00            | Y                       | N                             |                    | NA  | 1                    |
| BED113TO | N/A     | 10/1/19         | 12/31/21           | 27615           | Secretary II                           | N            | SR14     | 03      | P               | 1.0 | B   | \$ 54,452.00    | \$ 54,432.00            | N                       | N                             |                    | NA  | 1                    |
| BED113TO | N/A     | 10/18/2021      | 12/31/21           | 107926          | HTA Program Specialist                 | Y            | SRNA     | 13      | T               | 1.0 | V   | \$ 62,544.00    | \$ 62,544.00            | Y                       | N                             |                    | NA  | 1                    |
| BED113TO | N/A     | 8/1/2021        | 12/31/21           | 107927          | HTA Senior Brand Manager               | Y            | SRNA     | 93      | T               | 1.0 | B   | \$ 208,452.00   | \$ 208,452.00           | Y                       | N                             |                    | NA  | 1                    |
| BED113TO | N/A     | 10/15/2021      | 12/31/21           | 28287           | HTA Program Specialist                 | Y            | SRNA     | 13      | T               | 1.0 | B   | \$ 60,000.00    | \$ 60,000.00            | Y                       | N                             |                    | NA  | 1                    |
| BED120SI | N/A     | N/A             | 6/30/22            | 123866          | Clean Transportation Lead              | Y            | SRNA     | 13      | T               | 1.0 | T   | N/A             | N/A                     | Y                       | N                             |                    | N/A   | 5                    |
| BED120SI | N/A     | N/A             | 12/1/21            | 124091          | VMT/Active Transport Spclt             | Y            | SRNA     | 13      | T               | 1.0 | T   | N/A             | N/A                     | Y                       | N                             |                    | Job offer made and will start 12/1/2021.  | 4                    |

Department of Business, Economic Development and Tourism  
 Vacancy Report as of November 30, 2021

Table 11

| Prog ID  | Sub-Org | Date of Vacancy | Expected Fill Date | Position Number | Position Title                 | Exempt (Y/N) | SR Level | BU Code | Perm Temp (P/T) | FTE | MOF | Budgeted Amount | Actual Salary Last Paid | Authority to Hire (Y/N) | Occupied by 89 Day Hire (Y/N) | # of 89 Hire Appts | Describe if Filled by other Means  | Priority # to Retain |
|----------|---------|-----------------|--------------------|-----------------|--------------------------------|--------------|----------|---------|-----------------|-----|-----|-----------------|-------------------------|-------------------------|-------------------------------|--------------------|--|----------------------|
| BED120SI | N/A     | N/A             | N/A                | 119414          | Energy Program Specialist      | Y            | SRNA     | 13      | T               | 1.0 | A   | 0               | \$ 68,472.00            | N                       | N                             |                    | N/A  | 3                    |
| BED120SI | N/A     | N/A             | N/A                | 119367          | Energy Analyst                 | Y            | SRNA     | 13      | T               | 1.0 | A   | 0               | \$ 78,264.00            | N                       | N                             |                    | N/A  | 2                    |
| BED120SI | N/A     | 7/1/2021        | 7/1/22             | 119411          | Energy Analyst                 | Y            | SRNA     | 13      | T               | 1.0 | A   | \$ 75,300.00    | \$ 95,496.00            | N                       | N                             |                    | N/A  | 1                    |
| BED130FA | N/A     | N/A             | 3/1/22             | 123270          | HTA Program Specialist         | Y            | SRNA     | 13      | T               | 1.0 | A   | \$ 60,000.00    | N/A                     | N                       | N                             |                    | Plan to fill soon  | 1                    |
| BED130FA | N/A     | N/A             | 7/1/22             | 120972          | Research Statistician I        | N            | SR16     | 13      | R               | 0.5 | A   | \$ 24,474.00    | N/A                     | N                       | N                             |                    | Plan to fill   | 2                    |
| BED130FA | N/A     | N/A             | 1/1/22             | 120219          | Research Statistician III      | N            | SR20     | 13      | R               | 1.0 | A   | \$ 48,948.00    | N/A                     | N                       | N                             |                    | Plan to fill soon  | 1                    |
| BED130FA | N/A     | N/A             | 7/1/22             | 26514           | Research Statistician I        | N            | SR16     | 13      | R               | 1.0 | A   | \$ 48,948.00    | \$ 42,756.00            | N                       | N                             |                    | Plan to fill   | 2                    |
| BED130FA | N/A     | N/A             | 3/1/22             | 123269          | HTA Program Specialist         | Y            | SRNA     | 13      | T               | 1.0 | A   | \$ 60,000.00    | \$ 61,224.00            | N                       | N                             |                    | Plan to fill soon  | 1                    |
| BED130FA | N/A     | 10/1/2021       | 2/1/22             | 11299           | Economist VI                   | N            | SR26     | 13      | R               | 1.0 | A   | \$ 67,200.00    | \$ 69,876.00            | Y                       | N                             |                    | Recruiting at DHRD   | 1                    |
| BED130FA | N/A     | N/A             | 3/1/22             | 122690          | Statistics Clerk               | N            | SR10     | 3       | R               | 1.0 | A   | \$ 35,196.00    | \$ 29,340.00            | N                       | N                             |                    | Plan to fill soon  | 1                    |
| BED138GI | N/A     | 1/9/2021        | 4/1/22             | 121520          | HGIA Program & Admin Officer   | Y            | SRNA     | 13      | T               | 1.0 | B   | \$ 75,000.00    | \$ 91,200.00            | N                       | N                             |                    | Position will be filled on 4/1/22.   | 1                    |
| BED138GI | N/A     | 9/24/2021       | 2/1/22             | 121522          | HGIA Program & Admin Officer   | Y            | SRNA     | 13      | T               | 1.0 | B   | \$ 72,960.00    | \$ 108,156.00           | Y                       | N                             |                    | Position will be filled soon.  | 1                    |
| BED142AA | N/A     | 8/1/2021        | 2/1/22             | 120107          | Management Analyst II          | N            | SR18     | 73      | R               | 1.0 | A   | \$ 47,196.00    | \$ 49,080.00            | N                       | N                             |                    | Position will be filled.   | 3                    |
| BED142AA | N/A     | 8/20/19         | N/A                | 12888           | Fiscal Officer I               | N            | SR26     | 93      | R               | 1.0 | A   | 0               | \$ 77,052.00            | N                       | N                             |                    | Once funding is reinstated, position will be filled.   | 2                    |
| BED142AA | N/A     | 8/14/2021       | 2/1/22             | 17666           | Administrative Svcs Offcr I    | N            | EM05     | 35      | R               | 1.0 | A   | \$ 106,836.00   | \$ 113,832.00           | N                       | N                             |                    | Position will be filled.   | 1                    |
| BED143TE | N/A     | 5/30/2020       | 02/01/22           | 116617          | MEP Program Assistant          | Y            | SRNA     | 3       | T               | 1.0 | P   | \$ 47,004.00    | \$ 50,004.00            | N                       | N                             |                    |  | 1                    |
| BED143TE | N/A     | 8/1/2019        | Pending            | 116874          | HCATT Manager                  | Y            | SRNA     | 13      | T               | 1.0 | P   | \$ 98,856.00    | \$ 98,856.00            | N                       | N                             |                    | Currently filled by temporary assignment. Permanent appointment pending Federal funding.   | 1                    |
| BED143TE | N/A     | 9/1/2021        | Pending            | 102698          | HCATT Operations Specialist    | Y            | SRNA     | 03      | T               | 1.0 | P   | \$ 45,564.00    | \$ 51,732.00            | N                       | N                             |                    | Pending securing Federal funding   | 1                    |
| BED143TE | N/A     | 12/5/2018       | 01/03/22           | 101971          | HTDC Special Assistant         | Y            | SRNA     | 63      | R               | 1.0 | A   | \$ 59,352.00    | \$ 61,356.00            | N                       | N                             |                    |  | 1                    |
| BED143TE | N/A     | 12/31/2019      | N/A                | 107907          | HTDC Technology Marketing Spec | Y            | SRNA     | 13      | T               | 1.0 | A   | 0               | \$ 67,044.00            | N                       | N                             |                    |  | 1                    |
| BED143TE | N/A     | 9/1/2021        | Pending            | 120661          | HCATT Project Manager          | Y            | SRNA     | 13      | T               | 1.0 | P   | \$ 92,244.00    | \$ 90,300.00            | N                       | N                             |                    | Pending securing Federal funding   | 1                    |
| BED143TE | N/A     | 1/1/2019        | Pending            | 101615          | Executive Director, HTDC       | Y            | SRNA     | 93      | R               | 1.0 | A   | \$ 128,556.00   | \$ 128,556.00           | N                       | N                             |                    | Currently filled by temporary assignment. Permanent appointment pending board formation.   | 1                    |
| BED144PL | N/A     | 1/15/2020       | N/A                | 121006          | Secretary III                  | N            | SR16     | 03      | R               | 1.0 | N   | 0               | \$ 39,720.00            | N                       | Y                             | 7                  | The Secretary III became vacant on January 16, 2020 and was prevented from being filled immediately by DHRD's delay in classification as BU 3 or BU 63. This position is the only clerical position in the Land Use Division and provides paralegal support for planners filing the State's positions on Petitions to the State Land Use Commission. Loss of the Secretary III could result in grounds for legal appeals of Land Use Commission decisions. | 1                    |
| BED144PZ | N/A     | N/A             | N/A                | 34588           | Planner V                      | N            | SR24     | 13      | R               | 1.0 | A   | 0               | \$ 74,088.00            | N                       | N                             |                    | Position transferred from DOH without funding. FY23 Supplemental Budget approved by B&F. Recruitment expected to begin 7/1/22 once Governor gives final approval.  | 1                    |
| BED144DA | N/A     | 12/31/20        | 01/31/22           | 26362           | Planner V                      | N            | SR24     | 13      | R               | 1.0 | A   | \$ 88,248.00    | 91968.000000            | Y                       | N                             |                    | Recruitment in progress.   | 1                    |



Department of Business, Economic Development and Tourism  
 Vacancy Report as of November 30, 2021

Table 11

| Prog ID  | Sub-Org | Date of Vacancy | Expected Fill Date | Position Number | Position Title                  | Exempt (Y/N) | SR Level | BU Code | Perm Temp (P/T) | FTE | MOF | Budgeted Amount | Actual Salary Last Paid | Authority to Hire (Y/N) | Occupied by 89 Day Hire (Y/N) | # of 89 Hire Appts | Describe if Filled by other Means   | Priority # to Retain |
|----------|---------|-----------------|--------------------|-----------------|---------------------------------|--------------|----------|---------|-----------------|-----|-----|-----------------|-------------------------|-------------------------|-------------------------------|--------------------|---|----------------------|
| BED144PZ | N/A     | 5/1/2019        | N/A                | 12517           | Planning Program Admr II        | N            | EM08     | 35      | R               | 1.0 | A   | 0               | 129372.000000           | N                       | N                             |                    | The Planning Program Administrator II position became vacant on May 1, 2019 when the incumbent transferred to the PUC. As the highest Civil Service position in OP, this position is needed to support the work of three branches, including the update of the CEDS which Hawaii must have to be eligible for EDA grants. | 1                    |
| BED146EL | N/A     | 2/28/2021       | 12/31/21           | 102313          | NELHA Industrial Electrician II | Y            | SRNA     | 01      | T               | 1.0 | B   | \$ 66,924.00    | 62004.000000            | Y                       | N                             |                    |   | 1                    |
| BED146EL | N/A     | 10/24/2019      | 03/15/21           | 107909          | NELHA Senior Secretary          | Y            | SRNA     | 63      | T               | 1.0 | B   | 0               | \$ 55,200.00            | N                       | N                             |                    |   | 2                    |
| BED150KA | N/A     | 4/13/2019       | 01/01/22           | 102051          | HCDA Program Spclt V            | Y            | SRNA     | 13      | R               | 1.0 | A   | \$ 85,000.00    | \$ 78,384.00            | N                       | N                             |                    | Candidates will be solicited via public posting and the HCDA will follow the standard hiring process.   | 1                    |
| BED160HD | N/A     | 10/1/2021       | 3/1/2022           | 100928          | Project Coordinator & Inspector | Y            | SRNA     | 03      | T               | 1.0 | W   | \$ 77,088.00    | \$ 77,088.00            | N                       | N                             |                    | Position is being redescribed to Project Coordinator & Inspector and pending for review and approval.   | 1                    |
| BED160HD | N/A     | 8/17/2021       | 1/5/2022           | 42091           | Secretary II                    | N            | 14       | 03      | P               | 1.0 | W   | \$ 41,100.00    | \$ 41,100.00            | N                       | N                             |                    | Interview completed; recommended candidate for hire; pending approval   | 1                    |
| BED160HF | N/A     | 1/15/2020       | 1/5/2022           | 00100375        | Housing Loan Spclt              | Y            | SRNA     | 13      | T               | 1.0 | W   | \$ 72,684.00    | \$ 64,476.00            | N                       | N                             |                    | currently in recruitment; interview in process.   | 1                    |
| BED160HF | N/A     | 11/9/2021       | 3/1/2022           | 117422          | Housing Finance Specialist I    | Y            | SRNA     | 13      | T               | 1.0 | W   | \$119,112.00    | \$119,112.00            | N                       | N                             |                    | Currently in recruitment; interview in process.   | 1                    |

Positions Established by Acts other than the State Budget as of November 30, 2021

| <u>Prog ID</u> | <u>Sub-<br/>Org</u> | <u>Date<br/>Established</u> | <u>Legal<br/>Authority</u> | <u>Position<br/>Number</u> | <u>Position Title</u>  | <u>Exempt<br/>(Y/N)</u> | <u>SR<br/>Level</u> | <u>BU<br/>Code</u> | <u>T/P</u> | <u>MOF</u> | <u>FTE</u> | <u>Annual Salary</u> | <u>Filled<br/>(Y/N)</u> | <u>Occupied<br/>by 89 Day<br/>Hire (Y/N)</u> |
|----------------|---------------------|-----------------------------|----------------------------|----------------------------|--|-------------------------|---------------------|--------------------|------------|------------|------------|----------------------|-------------------------|--|
| BED142         | n/a                 | 7/1/2021                    | Act 160                    | 124033                     | DBEDT Federal Grant Coord.                                     | Y                       | SRNA                | 13                 | T          | A          | 1.00       | 122,400              | Y                       | N  |
| BED120         | n/a                 | 10/16/2020                  | Federal<br>Funds           | 123292                     | Data Science Specialist  | Y                       | SRNA                | 13                 | T          | N          | 1.00       | 93,000               | Y                       | N  |
| BED120         | n/a                 | 3/1/2021                    | Act 160                    | 123866                     | Clean Transportation Lead                                      | Y                       | SRNA                | 13                 | T          | T          | 1.00       | TBD                  | N                       | N  |
| BED120         | n/a                 | 3/16/2021                   | Federal<br>Funds           | 123896                     | Energy Analyst   | Y                       | SRNA                | 13                 | T          | N          | 1.00       | 75,000               | Y                       | N  |
| BED120         | n/a                 | 7/16/2021                   | Federal<br>Funds           | 124025                     | Energy Assurance Specialist                                    | Y                       | SRNA                | 13                 | T          | N          | 1.00       | 90,000               | Y                       | N  |
| BED120         | n/a                 | 8/16/2021                   | Act 160                    | 124091                     | Vehicle Miles<br>Travelled/Active<br>Transportation Specialist | Y                       | SRNA                | 13                 | T          | T          | 1.00       | 93,000               | Y                       | N  |
| BED144         | n/a                 | 8/1/2015                    | Federal<br>Funds           | 121808                     | CZM Policy Analyst   | Y                       | SRNA                | 73                 | T          | N          | 0.49       | 62,150               | Y                       | N  |
| BED138         | n/a                 | 5/1/2015                    | EM 14-04                   | 121719                     | HGIA Client Support<br>Specialist                              | Y                       | SRNA                | 73                 | T          | B          | 0.49       | N/A                  | N                       | N  |
| BED143         | n/a                 | 6/16/2020                   | Federal<br>Funds           | 123292                     | MEP Project Engineer   | Y                       | SRNA                | 13                 | T          | P          | 1.00       | 55,008               | Y                       | N  |

Department of Business, Economic Development and Tourism  
Overtime Expenditure Summary

Table 13

| Prog ID | Sub-Org | Program Title                          | MOF | FY21 (actual)                  |                             |                            | FY22 (estimated)               |                             |                            | FY23 (budgeted)                |                             |                            |
|---------|---------|--|-----|--------------------------------|-----------------------------|----------------------------|--------------------------------|-----------------------------|----------------------------|--------------------------------|-----------------------------|----------------------------|
|         |         |  |     | <u>Base Salary</u><br>\$\$\$\$ | <u>Overtime</u><br>\$\$\$\$ | <u>Overtime</u><br>Percent | <u>Base Salary</u><br>\$\$\$\$ | <u>Overtime</u><br>\$\$\$\$ | <u>Overtime</u><br>Percent | <u>Base Salary</u><br>\$\$\$\$ | <u>Overtime</u><br>\$\$\$\$ | <u>Overtime</u><br>Percent |
| BED120  | N/A     | Hawai'i State Energy Office            | A   | \$ 2,280,971                   | \$ 38,329                   | 1.7%                       |                                |                             |                            |                                |                             |                            |
| BED146  | N/A     | Natural Energy Lab of Hawaii Authority | B   | \$ 1,915,030                   | \$ 22,979                   | 1.2%                       | \$ 2,000,000                   | \$ 24,000                   | 1.2%                       | \$ 2,060,000                   | \$ 24,720                   | 1.2%                       |

Department of Business, Economic Development and Tourism  
Active Contracts as of December 1, 2021

Table 14

| Prog ID | MOF | Amount  | Frequency<br>(M/A/O) | Max Value | Outstanding<br>Balance | Date Executed | Term of Contract |            | Entity   | Contract Description  | Explanation of How Contract is<br>Monitored | POS<br>Y/N | Category<br>E/L/P/C/G/S/* |
|---------|-----|---------|----------------------|-----------|------------------------|---------------|------------------|------------|--|---|---|------------|---------------------------|
|         |     |         |                      |           |                        |               | From             | To         |  |   |   |            |                           |
| BED100  | W   | 60,000  | O                    | 75,000    | 15,000                 | 7/19/2019     | 7/19/2019        | 3/31/2021  | Hawaii Community Reinvestment Corporation (HCRC) | Conduct Opportunity Zone business training and provide technical assistance workshops.                            | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | 8,848   | M                    | 25,445    | 16,597                 | 6/30/2021     | 6/30/2021        | 12/31/2021 | Spire Hawaii LLP                                 | Financial review of contract between DBEDT and PA'I Foundation  | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | 20,000  | O                    | 35,000    | 15,000                 | 6/15/2020     | 6/15/2020        | 11/30/2022 | Synergistic Hawaii Agriculture Council           | Promote Hawai'i coffee industry in Taiwan.  | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | 78,624  | O                    | 78,624    | 22,932                 | 7/1/2020      | 7/1/2020         | 6/30/2022  | State of Hawaii Office in Beijing                | Promote international student attraction and trade between Hawai'i and Greater China.                             | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | 97,344  | O                    | 97,344    | 28,392                 | 7/1/2020      | 7/1/2020         | 6/30/2022  | State of Hawaii Office in Taipei                 | Promote international student attraction and trade between Hawai'i and Taiwan.                                    | Meeting and Reports                         | Y          | S                         |
| BED100  | A   | 20,000  | O                    | 97,500    | 77,500                 | 6/30/2021     | 6/30/2021        | 12/31/2022 | Study Hawaii                                     | Educational Consortium Partner for Int'l Student Attraction   | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | 10,000  | O                    | 30,000    | 20,000                 | 5/11/2021     | 11/1/2019        | 12/31/2022 | Filipino Chamber of Commerce Hawaii              | GIA support to host International Conference and Expo in Hawaii   | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | -       | O                    | 50,000    | 50,000                 | 2/18/2021     | 2/18/2021        | 2/28/2022  | Hawaii United Okinawa Association                | Support of Sister-State Relationship  | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | -       | O                    | 100,000   | 100,000                | 5/10/2021     | 5/10/2021        | 12/31/2021 | A.LINK   | Japan Marketing Related to Made in Hawaii and Int'l Student Attraction  | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | 20,000  | O                    | 75,000    | 55,000                 | 7/8/2021      | 7/8/2021         | 12/31/2023 | Japan-America Society of Hawaii                  | GIA support to host Japan-Hawaii Conference in Hawaii   | Meeting and Reports                         | Y          | S                         |
| BED100  | A   | -       | O                    | 97,500    | 97,500                 | 6/10/2021     | 6/10/2021        | 6/30/2022  | Japan-America Society of Hawaii                  | Support of Japan-Hawaii Trade Show in Hawaii  | Meeting and Reports                         | Y          | S                         |
| BED100  | A   | 85,000  | O                    | 90,000    | 5,000                  | 11_Apr-21     | 4/11/2021        | 6/22/2021  | Jaxie Corporation                                | Tokyo International Trade Show Coordination   | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | 25,743  | O                    | 109,500   | 83,757                 | 3/31/2021     | 3/31/2021        | 3/31/2022  | IQ PR, Inc. dba iQ360                            | Marketing and promotion of Made in Hawaii Program   | Meetings and Reports                        | Y          | S                         |
| BED100  | A   | 77,459  | O                    | 131,116   | 53,657                 | 6/21/2021     | 6/21/2021        | 6/20/2023  | Carahsoft Technology Corp.                       | Salesforce licenses and consultant/implementation services.   | Meetings and Reports                        | Y          | S                         |
| BED 100 | F   | 290,250 | O                    | 645,000   | 354,750                | 4/30/2021     | 4/9/2021         | 9/7/2022   | Chamber of Commerce Hawaii                       | Establishment of a Hawaii Defense Alliance  | Reports and Meetings                        | Y          | S                         |
| BED 100 | F   | -       | O                    | 345,500   | 345,500                | 5/10/2021     | 4/9/2021         | 9/7/2021   | Referenia Systems Inc/                           | Cybersecurity education and technical assistance  | Reports and Meetings                        | Y          | S                         |
| BED 100 | A   | -       | O                    | 25,000    | 25,000                 | 6/8/2021      | 6/1/2021         | 12/31/2021 | Battra LLC                                       | HDE Website updates   | Reports and Meetings                        | Y          | S                         |
| BED 100 | A   | 100,000 | O                    | 250,000   | 150,000                | 7/8/2021      | 7/8/2021         | 4/30/2022  | CyberHawaii                                      | Training to facilitate the creation of corps of Cyber Leaders   | Reports and Meetings                        | Y          | S                         |
| BED 100 | A   | -       | O                    | 49,685    | 49,685                 | 9/24/2021     | 10/1/2021        | 12/1/2022  | Pacific Impact Zone                              | Explore potential for dual-use technology in Hawaii and establish high-growth venture infrastructure development. | Reports and Meetings                        | Y          | S                         |
| BED 100 | A   | 11,517  | M                    | 75,000    | 63,483                 | 3/23/2021     | 7/1/2021         | 6/30/2022  | NIC Hawaii                                       | website design and development for BDS  | Reports and Meetings                        | Y          | S                         |
| BED107  | B   | 66,958  | M                    | 85,176    | 18,218                 | 11/26/2017    | 11/26/2017       | 11/25/2022 | Honolulu Disposal Service, Inc.                  | Refuse collection and disposal service  | CAVR  | Y          | S                         |

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|         |     |           |                      |           |                        |               | From             | To         |                                  |  |   |            |                           |
| BED107  | B   | 409,676   | M                    | 430,502   | 20,827                 | 12/21/2018    | 12/21/2018       | 12/21/2021 | Star Protection Agency, LLC      | To provide security guard services for the facilities & grounds of the FTZ#9 | CAVR  | Y          | S                         |
| BED107  | B   | 117,732   | M                    | 128,415   | 10,683                 | 1/14/2019     | 1/14/2019        | 1/13/2022  | Work Now Hawaii                  | To provide janitorial services at the Foreign-Trade Zone                     | CAVR  | Yes        | G-Goods and S-Services    |
| BED107  | B   | 31,189    | As needed            | 36,740    | 5,551                  | 12/27/2018    | 1/29/2019        | 1/28/2022  | Kigyo, Hokulani, LLC             | Forklift & golf Cart Maintenance & repair Services at FTZ Pier 2             | CAVR  | Y          | S                         |
| BED107  | B   | 16,416    | Quarterly            | 24,624    | 8,208                  | 4/15/2019     | 4/15/2019        | 4/14/2022  | Computrust Computer              | Application and Systems Maintenance of the Hawaii Foreign-Trade Zone No. 9   | CAVR  | Y          | S                         |
| BED107  | B   | 6,370     | M                    | 8,610     | 2,240                  | 7/1/2019      | 7/1/2019         | 6/30/2022  | Centric Elevator Corporation     | To provide elevator maintenance services at the Foreign-Trade                | CAVR  | Y          | G/S                       |
| BED107  | B   | 119,958   | M                    | 132,230   | 12,272                 | 12/9/2019     | 11/21/2019       | 12/8/2021  | Island Wide A/C Service, LLC     | To provide A/C repair & maintenance at FTZ#9                                 | CAVR  | Y          | G/S                       |
| BED107  | B   | 76,787    | M                    | 96,994    | 20,207                 | 3/12/2020     | 3/20/2020        | 3/11/2022  | Hawaiian Telcom                  | Network & Desktop support services at FTZ#9                                  | CAVR  | Y          | S                         |
| BED107  | B   | 31,563    | As needed            | 31,563    | -                      | 7/22/2019     | 8/1/2019         | 8/1/2022   | Phoenix Pacific, Inc.            | Fire Riser repair and maintenance  | CAVR  | Y          | G/S                       |
| BED107  | B   | 613       | As needed            | 14,950    | 14,337                 | 8/28/2019     | 9/1/2020         | 8/31/2022  | Security Resources Pacific, Inc. | Security Management system repair and maintenance                            | Fixed Budget  | Y          | G/S                       |
| BED107  | B   | 2,550     | As needed            | 2,550     |                        | 12/10/2020    | 1/4/2021         | 1/3/2022   | Power Pro Electric LLC           | FTZ Electrician Services   | As needed   | Y          | S                         |
| BED107  | B   | 3,100     | M                    | 4,000     | 900                    | 3/25/2021     | 4/8/2021         | 12/8/2021  | Island Wide A/C Service, LLC     | Makai Chiller Mainernance  | Fixed Budget  | Y          | G/S                       |
| BED107  | B   | 12,541    | As needed            | 12,541    |                        | 4/23/2021     | 4/24/2021        | 4/23/2022  | Certified Welding Services LLC   | Alum Ramp as needed repair   | As needed   | Y          | G/S                       |
| BED107  | B   | 38,448    | As needed            | 38,448    |                        | 4/10/2019     | 5/23/2018        | 5/22/2022  | Alliance Personnel, Inc          | Temporary Labor  | As needed   | Y          | S                         |
| BED107  | B   | 2,278     | M                    | 2,278     |                        | 7/17/2019     | 3/1/2019         | 2/28/2022  | Alert Alarm                      | Fire Alarm Monitoring  | Fixed Budget  | Y          | S                         |
| BED107  | B   | 35,056    | As needed            | 35,056    |                        | 4/16/2018     | 4/16/2018        | 4/16/2022  | System Engineering Group LLC     | Fire Alarm System repair and maintenance                                     | As needed   | Y          | G/S                       |
| BED113  | B   | 78,604    | M                    | 82,741    | 4,137                  | 5/25/2018     | 1/24/2020        | 1/24/2021  | OMNITRAK GROUP, INC.             | HTA CON 18177 S2 - MARKETING EFFECTIVENESS STUDY 2018 - 2020                 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 274,857   | O                    | 329,828   | 54,971                 | 1/30/2019     | 12/11/2018       | 12/31/2021 | HONBLUE, INC.                    | HTA CON 19005 PRINTING,STORAGE&DELIVERY OF INFLITE FORMS F/CY 2019-2021      | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 45,000    | O                    | 50,000    | 5,000                  | 8/6/2019      | 6/28/2019        | 12/30/2020 | HO'OLA NA PUA                    | HTA CON 19203 - EDUCATIONAL WORKSHOPS ON SEX TRAFFICKING FOR HAWAII'         | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 90,000    | O                    | 100,000   | 10,000                 | 4/16/2019     | 3/25/2019        | 2/29/2020  | MERRIE MONARCH FESTIVAL, THE     | HTA CON 19149 MERRIE MONARCH FESTIVAL 2019                                   | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 74,467    | M                    | 82,741    | 8,274                  | 5/25/2018     | 3/1/2019         | 3/1/2020   | OMNITRAK GROUP, INC.             | HTA CON 18177 S1 - MARKETING EFFECTIVENESS STUDY 2018 - 2020                 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 662,500   | O                    | 745,750   | 83,250                 | 8/28/2019     | 6/24/2019        | 6/24/2020  | UBERMEDIA, INC.                  | HTA CON 19179 S1 - VISITOR & RESIDENTIAL VISITATION TRACKING                 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 257,438   | O                    | 263,000   | 5,563                  | 8/28/2019     | 6/14/2019        | 6/12/2020  | UBERMEDIA, INC.                  | HTA CON 19179 - VISITOR & RESIDENTIAL VISITATION TRACKING                    | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 50,627    | O                    | 69,815    | 19,187                 | 4/30/2019     | 6/17/2019        | 3/31/2022  | ZR SYSTEMS GROUP LLC             | HTA CON 19162 S1 - IT SUPPORT SVCS - PROFESSIONAL SVCS                       | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 9,009,349 | O                    | 9,069,357 | 60,008                 | 6/8/2018      | 1/1/2019         | 12/31/2019 | AEG MANAGEMENT HCC, LLC          | HTA CON 14002 S7 - HAWAII CONVENTION CENTER (BT14-02)                        | Progress reports, final financial and written reports | Y          | S                         |

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|         |     |            |                      |            |                        | Date Executed    | From       | To         |                                |   |   |            |                           |
| BED113  | B   | 13,428,056 | O                    | 13,478,942 | 50,886                 | 6/8/2018         | 1/1/2019   | 12/31/2019 | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S7 - HAWAII CONVENTION CENTER (BT14-02)                           | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 5,748,320  | O                    | 6,000,000  | 251,680                | 2/7/2018         | 6/1/2020   | 12/31/2020 | A.LINK LLC                     | HTA CON 17028 S8 - JAPAN MMA  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 164,764    | O                    | 265,731    | 100,967                | 5/21/2018        | 6/11/2020  | 6/30/2021  | ANTHOLOGY MARKETING GROUP, INC | HTA CON 18138 S1 - VISITOR SATISFACTION & ACTIVITY SURVEY CY 2018-2020(VSAT     | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 122,511    | M                    | 145,000    | 22,489                 | 1/28/2020        | 12/21/2020 | 12/31/2021 | ANTHOLOGY MARKETING GROUP, INC | HTA CON 20010 S2 - PUBLIC RELATIONS, COMMUNICATIONS & OUTREACH SVCS             | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | O                    | 12,000     | 12,000                 | 1/28/2020        | 2/14/2020  | 12/31/2021 | ANTHOLOGY MARKETING GROUP, INC | HTA CON 20010 S1 - PUBLIC RELATIONS, COMMUNICATIONS & OUTREACH SVCS             | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | M                    | 131,937    | 131,937                | 5/4/2020         | 3/12/2020  | 8/31/2020  | ANTHOLOGY MARKETING GROUP, INC | HTA CON 20196 - HAWAII'S VISITOR INDUSTRY WORKFORCE NEEDS ASSESSMENT            | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 300,000    | O                    | 500,000    | 200,000                | 6/17/2020        | 5/12/2020  | 3/31/2021  | BISHOP MUSEUM                  | HTA CON 20195 - HE AUPUNI PALAPALA: PRESERVING & DIGITIZING THE                 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 424,000    | O                    | 530,000    | 106,000                | 9/11/2020        | 6/29/2020  | 12/31/2021 | DEPARTMENT OF LAND AND NATURAL | HTA CON 20210 - NA ALA HELE 2021  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 16,000     | O                    | 20,000     | 4,000                  | 12/12/2019       | 11/1/2019  | 4/30/2021  | HALEIWA MAINSTREET             | HTA CON 20012 - HALE'IWA INTERPRETATION SIGNAGE PROJECT & WALING TOUR MAP       | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 2,326,091  | M                    | 2,353,160  | 27,069                 | 2/14/2018        | 12/4/2019  | 12/30/2020 | HAWAII VISITORS AND CONVENTION | HTA CON 17002 S4 - ISLAND CHAPTER SUPPORT SVCS                                  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 13,511,979 | M                    | 13,661,979 | 150,000                | 3/23/2018        | 11/27/2019 | 12/30/2020 | HAWAII VISITORS AND CONVENTION | HTA CON 17029 S10 - USA MMA   | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 1,450,100  | O                    | 1,467,500  | 17,400                 | 6/5/2018         | 12/20/2019 | 12/31/2020 | HAWAII VISITORS AND CONVENTION | HTA CON 16071 S10 - HVCB SUPPL SVCS   | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 169,538    | O                    | 204,255    | 34,717                 | 1/30/2019        | 12/19/2019 | 6/30/2020  | HONBLUE, INC.                  | HTA CON 19005 S1 - PRINTING, STORAGE & DELIVERY OF INFLITE FORMS F/CY 2019-2021 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | O                    | 31,050     | 31,050                 | 6/25/2018        | 6/19/2020  | 12/31/2021 | INTERNATIONAL FESTIVALS &      | HTA CON 17232 S6- FESTIVALS & EVENTS CFEE CERTIFICATION WORKSHOPS               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 81,283     | M                    | 108,377    | 27,094                 | 6/5/2018         | 6/24/2019  | 6/30/2020  | IN-TER-SPACE SERVICES, INC.    | HTA CON 18176 S1 - OCEAN SAFETY VIDEO PLACEMENT AT THE DK INOUE INTL AIRPORT    | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 48,000     | O                    | 60,000     | 12,000                 | 1/23/2020        | 12/30/2019 | 2/28/2021  | KAUAI MARATHON, THE            | HTA CON 20088 - THE 12TH ANNUAL KAUA'I MARATHON & HALF MARATHON                 | Progress reports, final financial and written reports | Y          | S                         |

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|         |     |           |                      |           |                        |               | From             | To         |                                |   |   |            |                           |
| BED113  | B   | 63,202    | M                    | 78,947    | 15,745                 | 6/5/2018      | 6/1/2020         | 1/31/2021  | KLONINGER & SIMS CONSULTING    | HTA CON 18178 S3 - VISITOR PLANT INVENTORY SURVEY 2018-2020                   | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 21,399    | M                    | 69,540    | 48,141                 | 5/21/2018     | 1/1/2019         | 6/30/2020  | OMNITRAK GROUP, INC.           | HTA CON 18137 - CRUISE VISITORS' BASIC CHARACTERISTICS & EXPENDITURES CY20    | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | M                    | 82,741    | 82,741                 | 5/25/2018     | 1/24/2020        | 6/30/2020  | OMNITRAK GROUP, INC.           | HTA CON 18177 S2 - MARKETING EFFECTIVENESS STUDY 2018 - 2020                  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 370,165   | O                    | 462,500   | 92,335                 | 2/15/2019     | 6/20/2019        | 6/30/2021  | OMNITRAK GROUP, INC.           | HTA CON 19006 S1 - VISITOR DEPARTURE SURVEYS F/MULTI CALENDAR YEARS 2019-2022 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 11,291    | O                    | 25,000    | 13,709                 | 4/17/2019     | 12/30/2019       | 3/31/2022  | SPIRE HAWAII LLP               | HTA CON 19156 S1 - AUDIT ADVISORY SVCS  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 72,000    | O                    | 90,000    | 18,000                 | 6/5/2018      | 1/29/2020        | 1/31/2021  | TEAM UNLIMITED LLC             | HTA CON 18190 S2 - XTERRA WORLD CHAMPIONSHIP                                  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 138,000   | O                    | 408,000   | 270,000                | 4/23/2020     | 3/12/2020        | 6/30/2024  | UNIVERSITY OF HAWAII           | HTA CON 20184 - HO'OILINA SCHOLARSHIP PROGRAM                                 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 36,000    | O                    | 80,000    | 44,000                 | 4/23/2020     | 3/12/2020        | 6/30/2024  | UNIVERSITY OF HAWAII           | HTA CON 20185 - HO'OILINA SCHOLARSHIP PROGRAM - WEST O'AHU                    | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 259,000   | O                    | 293,000   | 34,000                 | 6/27/2019     | 1/24/2020        | 6/1/2021   | YOUGOV AMERICA, INC.           | HTA CON 19188 S1 - SYNDICATED TOURISM SURVEY SVCS 2019-2021                   | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 52,230    | O                    | 56,294    | 4,064                  | 4/30/2019     | 5/4/2020         | 3/31/2021  | ZR SYSTEMS GROUP LLC           | HTA CON 19162 S2 - IT SUPPORT SVCS - PROFESSIONAL SVC                         | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 40,000    | 40,000                 | 4/30/2019     | 5/4/2020         | 3/31/2022  | ZR SYSTEMS GROUP LLC           | HTA CON 19162 S2 - IT SUPPORT SVCS - PROFESSIONAL SVC                         | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 7,728     | O                    | 8,400     | 672                    | 4/30/2019     | 5/4/2020         | 3/31/2022  | ZR SYSTEMS GROUP LLC           | HTA CON 19162 S2 - IT SUPPORT SVCS - PROFESSIONAL SVC                         | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 2,441,642 | O                    | 4,500,000 | 2,058,358              | 2/7/2018      | 12/21/2020       | 12/31/2021 | A.LINK LLC                     | HTA CON 17028 S10 JAPAN MMA   | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | M                    | 9,000,000 | 9,000,000              | 6/24/2021     | 1/1/2022         | 12/31/2022 | A.LINK LLC                     | HTA CON 21028- JAPAN MMA MARKETING MANAGEMENT SERVICES                        | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 45,000    | M                    | 50,000    | 5,000                  | 1/5/2021      | 11/16/2020       | 9/30/2021  | ACCESS CRUISE, INC.            | HTA CON 21013-HAWAII'S CRUISE INDUSTRY CONSULTANT SVCS                        | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 5,948,568 | 5,948,568              | 6/8/2018      | 7/1/2021         | 6/30/2022  | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S12 - HAWAII CONVENTION CENTER (BT14-02)                        | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 18,076    | O                    | 24,101    | 6,025                  | 12/5/2017     | 12/21/2020       | 12/31/2021 | ANTHOLOGY MARKETING GROUP, INC | HTA CON 17214 S6 - DESIGN & MAINTNEANCE OF HTA WEBSIT-PHASE 2                 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 63,074    | M                    | 145,000   | 81,926                 | 1/28/2020     | 1/1/2021         | 12/31/2021 | ANTHOLOGY MARKETING GROUP, INC | HTA CON 20010 S2 - PUBLIC RELATIONS, COMMUNICATIONS & OUTREACH SVCS           | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 72,750    | M                    | 200,000   | 127,250                | 1/28/2020     | 7/1/2021         | 3/31/2022  | ANTHOLOGY MARKETING GROUP, INC | HTA CON 20010 S4 - PUBLIC RELATIONS, COMMUNICATIONS & OUTREACH SVCS           | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 104,796   | O                    | 279,457   | 174,660                | 1/20/2021     | 1/1/2021         | 9/30/2022  | ANTHOLOGY MARKETING GROUP, INC | HTA CON 21015 STATEWIDE VISITOR & ISLAND SATISFACTION & ACTIVITY SURVEY       | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 100,000   | 100,000                | 6/24/2021     | 6/17/2021        | 1/31/2022  | COUNCIL FOR NATIVE HAWAIIAN    | HTA CON 21026- POP UP MAKEKE SEASON 3   | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 99,995    | 99,995                 | 6/24/2021     | 6/29/2021        | 1/31/2022  | COUNCIL FOR NATIVE HAWAIIAN    | HTA CON 21026 S1- POP UP MAKEKE SEASON 3                                      | Progress reports, final financial and written reports | Y          | S                         |

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|         |     |            |                      |            |                        | Date Executed    | From       | To         |                                |   |   |            |                           |
| BED113  | B   | -          | O                    | 28,000     | 28,000                 | 6/29/2021        | 6/25/2021  | 3/31/2023  | DESTINATION KONA COAST         | HTA CON 21036 - KONA KAHEA HARBOR GREETINGS 2022                            | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 30,000     | M                    | 80,000     | 50,000                 | 6/24/2021        | 6/9/2021   | 1/31/2022  | ES&A, INC., A LAW CORPORATION  | HTA CON 21027 - HTA REORGANIZATION ASSISTANCE                               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 224,502    | M                    | 400,000    | 175,498                | 6/6/2018         | 12/17/2020 | 12/31/2021 | FIRST HAWAIIAN BANK            | HTA CON 17017 S9 - CANADA MMA MARKETING MANAGEMENT SERVICES                 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 192,900    | M                    | 300,000    | 107,100                | 3/11/2020        | 12/21/2020 | 12/31/2021 | FIRST HAWAIIAN BANK            | HTA CON 20007 S2 -HI TOURISM INBOUND DESTINATION MARKETING MANAGEMENT SVCS  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | M                    | 1,400,000  | 1,400,000              | 3/11/2020        | 1/1/2022   | 12/31/2022 | FIRST HAWAIIAN BANK            | HTA CON 20007 S4 -HI TOURISM INBOUND DESTINATION MARKETING MANAGEMENT SVCS  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 77,196     | M                    | 400,000    | 322,804                | 1/20/2021        | 1/1/2021   | 12/31/2021 | FIRST HAWAIIAN BANK            | HTA CON 21019 - HAWAII TOURISM INBOUND DESTINATION MKTG MGMT SVCS IN THE    | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 38,598     | M                    | 1,900,000  | 1,861,402              | 1/20/2021        | 1/1/2022   | 12/31/2022 | FIRST HAWAIIAN BANK            | HTA CON 21019 S2 - HAWAII TOURISM INBOUND DESTINATION MKTG MGMT SVCS IN THE | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | M                    | 800,000    | 800,000                | 7/9/2021         | 1/1/2022   | 12/31/2022 | FIRST HAWAIIAN BANK            | HTA CON 21029 - CANADA MMA MARKETING MGMT SVCS                              | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 700,000    | O                    | 1,750,000  | 1,050,000              | 6/29/2021        | 6/22/2021  | 6/30/2023  | HAWAII COMMUNITY FOUNDATION    | HTA CON 21033 - HTA X HCF IMPELEMENTATION OF KUKULU OLA & ALOHA AINA        | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 700,000    | O                    | 1,750,000  | 1,050,000              | 6/29/2021        | 6/22/2021  | 6/30/2023  | HAWAII COMMUNITY FOUNDATION    | HTA CON 21033 - HTA X HCF IMPELEMENTATION OF KUKULU OLA & ALOHA AINA        | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 1,514,777  | O                    | 2,400,000  | 885,223                | 2/14/2018        | 1/1/2021   | 12/31/2021 | HAWAII VISITORS AND CONVENTION | HTA CON17002 S7 - ISLAND CHAPTER SUPPORT SVCS                               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 174,403    | O                    | 2,500,000  | 2,325,597              | 3/23/2018        | 8/27/2020  | 6/30/2021  | HAWAII VISITORS AND CONVENTION | HTA CON 17029 S15 -USA MMA  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 12,271,463 | O                    | 14,500,000 | 2,228,537              | 3/23/2018        | 1/1/2021   | 12/31/2021 | HAWAII VISITORS AND CONVENTION | HTA CON 17029 S16 -USA MMA  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 40,000     | M                    | 50,000     | 10,000                 | 3/23/2018        | 6/21/2021  | 6/30/2022  | HAWAII VISITORS AND CONVENTION | HTA CON 17029 S17 -USA MMA  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 1,124,000  | O                    | 1,467,500  | 343,500                | 1/5/2021         | 1/1/2021   | 12/31/2021 | HAWAII VISITORS AND CONVENTION | HTA CON 21016 - SUPPORT SVCS  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | M                    | 2,400,000  | 2,400,000              | 6/29/2021        | 6/23/2021  | 12/31/2022 | HAWAII VISITORS AND CONVENTION | HTA CON 21030 - ISLAND CHAPTERS SUPPORT SERVICES                            | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | O                    | 200,000    | 200,000                | 6/30/2021        | 6/30/2021  | 5/31/2023  | HAWAII VISITORS AND CONVENTION | HTA CON 21038 - CEP DMAP COMMUNITY & HAWAIIAN CULTURE EVENTS                | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | O                    | 7,209,112  | 7,209,112              | 6/30/2021        | 6/30/2021  | 5/31/2023  | HAWAII VISITORS AND CONVENTION | HTA CON 21038 - CEP DMAP COMMUNITY & HAWAIIAN CULTURE EVENTS                | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | O                    | 1,500,000  | 1,500,000              | 6/30/2021        | 6/30/2021  | 5/31/2023  | HAWAII VISITORS AND CONVENTION | HTA CON 21038 - CEP DMAP COMMUNITY & HAWAIIAN CULTURE EVENTS                | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -          | O                    | 500,000    | 500,000                | 6/30/2021        | 6/30/2021  | 5/31/2023  | HAWAII VISITORS AND CONVENTION | HTA CON 21038 - CEP DMAP COMMUNITY & HAWAIIAN CULTURE EVENTS                | Progress reports, final financial and written reports | Y          | S                         |



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|---------|-----|---------|----------------------|-----------|------------------------|---------------|------------------|------------|--------------------------------|---|---|------------|---------------------------|
|         |     |         |                      |           |                        |               | From             | To         |                                |   |   |            |                           |
| BED113  | B   | -       | O                    | 100,000   | 100,000                | 6/30/2021     | 7/1/2021         | 12/31/2021 | HAWAII VISITORS AND CONVENTION | HTA CON 21044- HTA- UNIVERISTY OF HAWAII ATHLETICS & PARTNERSHIP                | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -       | O                    | 40,000    | 40,000                 | 6/29/2021     | 6/25/2021        | 3/31/2026  | HILO HAWAII VISITOR INDUSTRY   | HTA CON 21035 - HILO KAHEA HARBOR GREETINGS 2022                                | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 55,456  | O                    | 99,420    | 43,965                 | 1/30/2019     | 12/16/2020       | 10/31/2022 | HONBLUE, INC.                  | HTA CON 19005 S2 - PRINTING, STORAGE & DELIVERY OF INFLITE FORMS F/CY 2019-2021 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -       | M                    | 1,800,000 | 1,800,000              | 6/29/2021     | 1/1/2022         | 12/31/2022 | ITRAVLOCAL LIMITED             | HTA CON 21031 - CHINA MMA MARKETING MANAGEMENT SERVICES                         | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 39,362  | M                    | 78,947    | 39,585                 | 6/5/2018      | 12/23/2020       | 1/31/2022  | KLONINGER & SIMS CONSULTING    | HTA CON 18178 S4 - VISITOR PLANT INVENTORY SURVEY 2018-2020                     | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -       | O                    | 92,314    | 92,314                 | 6/29/2021     | 6/21/2021        | 3/31/2022  | KUPU                           | HTA CON 21032 - POLOLU TRAIL STEWARD PROGRAM                                    | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 37,125  | O                    | 41,250    | 4,125                  | 3/6/2018      | 4/1/2021         | 12/31/2021 | MAUI VISITORS BUREAU           | HTA CON 17034 S4 - VISITOR ASSISTANCE PROGRAM - MAUI 2018                       | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -       | O                    | 55,000    | 55,000                 | 6/30/2021     | 1/1/2022         | 12/31/2022 | MAUI VISITORS BUREAU           | HTA CON 21043- VISITOR ASSISTANCE PROGRAM - MAUI 2022                           | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 80,000  | O                    | 100,000   | 20,000                 | 5/20/2021     | 5/11/2021        | 12/31/2021 | MERRIE MONARCH FESTIVAL, THE   | HTA CON 21021 - MERRIE MONARCH FESTIVAL 2021 BROADCAST                          | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -       | O                    | 1,849,530 | 1,849,530              | 6/26/2018     | 6/18/2021        | 6/30/2022  | NATIVE HAWAIIAN HOSPITALITY    | HTA CON 18200 S3 - NATIVE HAWAIIAN HOSPITALITY ASSOCIATION 2018                 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 54,450  | O                    | 75,800    | 21,350                 | 11/29/2018    | 4/20/2021        | 9/30/2021  | OMNITRAK GROUP, INC.           | HTA CON 19002 S3 - RESIDENTIAL SENTIMENT F/FALL 2018                            | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -       | O                    | 72,418    | 72,418                 | 2/15/2019     | 6/29/2021        | 6/30/2023  | OMNITRAK GROUP, INC.           | HTA CON 19006 S4 - VISITOR DEPARTURE SURVEYS F/MULTI CALENDAR YEARS 2019-2022   | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -       | M                    | 72,960    | 72,960                 | 2/2/2021      | 1/1/2021         | 6/30/2022  | OMNITRAK GROUP, INC.           | HTA CON 21014-CRUISE VISITORS' BASIC CHARACTERISTICS & EXPENDITURES             | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 40,000  | O                    | 50,000    | 10,000                 | 12/6/2017     | 12/23/2020       | 12/31/2021 | POLYNESIAN FOOTBALL HALL OF    | HTA CON 18004 S3 - POLYNESIAN FOOTBALL HALL OF FAME                             | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 159,125 | O                    | 286,468   | 127,343                | 1/30/2019     | 12/24/2020       | 6/30/2022  | SMS RESEARCH AND MARKETING     | HTA CON 19007 S4 - STATEWIDE DOMESTIC INFLITE VISITORS' BASIC CHARACTERISTICS   | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 72,000  | O                    | 104,500   | 32,500                 | 6/21/2019     | 2/1/2021         | 1/31/2022  | TRANSPARENT INTELLIGENCE, INC. | HTA CON 19175 S2 - VACATION RENTAL PERFORMANCE TRACKING 2019-2021               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 15,920  | O                    | 50,920    | 35,000                 | 4/17/2020     | 6/8/2021         | 6/30/2022  | UNIVERSITY OF HAWAII           | HTA CON 20191 S2 - HAWAII AGTOURISM INITIATIVE                                  | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 114,750 | O                    | 127,500   | 12,750                 | 2/2/2018      | 4/1/2021         | 12/31/2021 | VASH HAWAII ISLAND             | HTA CON 17032 S5 - Visitor Assistance Program Hawaii Island                     | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -       | O                    | 170,000   | 170,000                | 6/29/2021     | 6/25/2021        | 12/31/2022 | VASH HAWAII ISLAND             | HTA CON 21041 - VISITOR ASSISTANCE PROGRAM - ISLAND OF HAWAII 2022              | Progress reports, final financial and written reports | Y          | S                         |

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|         |     |           |                      |            |                        |               | From             | To         |                                |  |   |            |                           |
| BED113  | B   | 249,750   | O                    | 277,500    | 27,750                 | 1/4/2018      | 4/1/2021         | 12/31/2021 | VISITOR ALOHA SOCIETY OF       | HTA CON 17031 S6 - VISITOR ASSISTANCE PROGRAM - O'AHU 201            | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 37,125    | O                    | 41,250     | 4,125                  | 3/6/2018      | 4/1/2021         | 12/31/2021 | VISITOR ALOHA SOCIETY OF       | HTA CON 17033 S4 - VISITOR ASSISTANCE PROGRAM - KAUA'I 2018          | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 370,000    | 370,000                | 6/30/2021     | 1/1/2022         | 12/31/2022 | VISITOR ALOHA SOCIETY OF       | HTA CON 21040 - VISITOR ASSISTANCE PROGRAM-OAHU 2022                 | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 55,000     | 55,000                 | 7/9/2021      | 1/1/2022         | 12/31/2022 | VISITOR ALOHA SOCIETY OF       | HTA CON 21042 - VISITOR ASSISTANCE PROGRAM - KAUIAI 2022             | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 229,000   | O                    | 293,000    | 64,000                 | 6/27/2019     | 12/21/2020       | 8/31/2022  | YOUGOV AMERICA, INC.           | HTA CON 19188 S2 - SYNDICATED TOURISM SURVEY SVCS 2019-2021          | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 32,838    | O                    | 56,294     | 23,456                 | 4/30/2019     | 4/22/2021        | 3/31/2022  | ZR SYSTEMS GROUP LLC           | HTA CON 19162 S3 - PROFESSIONAL SVCS - IT SUPPORT SVCS               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 360       | O                    | 40,000     | 39,640                 | 4/30/2019     | 4/22/2021        | 3/31/2022  | ZR SYSTEMS GROUP LLC           | HTA CON 19162 S3 - PROFESSIONAL SVCS - IT SUPPORT SVCS               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 2,199     | O                    | 8,400      | 6,201                  | 4/30/2019     | 4/22/2021        | 3/31/2022  | ZR SYSTEMS GROUP LLC           | HTA CON 19162 S3 - PROFESSIONAL SVCS - IT SUPPORT SVCS               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 4,012,325 | O                    | 4,052,799  | 40,474                 | 6/8/2018      | 1/1/2020         | 12/31/2020 | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S10 - HAWAII CONVENTION CENTER (BT14-02)               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 5,587,851 | O                    | 6,060,890  | 473,039                | 6/8/2018      | 7/1/2021         | 6/30/2022  | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S11 - HAWAII CONVENTION CENTER (BT14-02)               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 10,171,400 | 10,171,400             | 6/8/2018      | 7/1/2021         | 6/30/2022  | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S12 - HAWAII CONVENTION CENTER (BT14-02)               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 515,000    | 515,000                | 6/8/2018      | 7/1/2021         | 6/30/2022  | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S12 - HAWAII CONVENTION CENTER (BT14-02)               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 2,500,000  | 2,500,000              | 6/8/2018      | 7/1/2021         | 6/30/2022  | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S12 - HAWAII CONVENTION CENTER (BT14-02)               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 533,000    | 533,000                | 6/8/2018      | 7/1/2021         | 6/30/2022  | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S12 - HAWAII CONVENTION CENTER (BT14-02)               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 10,129,600 | 10,129,600             | 6/8/2018      | 7/1/2021         | 6/30/2022  | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S12 - HAWAII CONVENTION CENTER (BT14-02)               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 10,831,000 | 10,831,000             | 6/8/2018      | 7/1/2021         | 6/30/2022  | AEG MANAGEMENT HCC, LLC        | HTA CON 14002 S12 - HAWAII CONVENTION CENTER (BT14-02)               | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 851,058   | O                    | 875,625    | 24,567                 | 3/11/2020     | 7/1/2020         | 12/31/2020 | HAWAII VISITORS AND CONVENTION | HTA CON 20180 S1 - GLOBAL MCI GROUPS MARKETING MANAGEMENT SVCS       | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 100,000    | 100,000                | 1/4/2018      | 9/28/2021        | 12/31/2021 | VISITOR ALOHA SOCIETY OF       | HTA CON 17031 S7 - VISITOR ASSISTANCE PROGRAM - O'AHU 201            | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | 6,911     | M                    | 14,974     | 8,063                  | 5/12/2021     | 1/1/2021         | 12/31/2021 | ALOHA DATA SERVICES, INC.      | PON 21017 Board of Directors & Committee Meeting Minutes             | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 150,000    | 150,000                | 6/25/2021     | 6/29/2021        | 12/31/2022 | COUNTY OF KAUAI                | MOA 21025 Kauai DMAP 2021 Transportation Change & Kauai Made Support | Progress reports, final financial and written reports | Y          | S                         |
| BED113  | B   | -         | O                    | 42,000     | 42,000                 | 6/25/2021     | 6/29/2021        | 12/31/2022 | COUNTY OF KAUAI                | MOA 21025 Kauai DMAP 2021 Transportation Change & Kauai Made Support | Progress reports, final financial and written reports | Y          | S                         |

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|         |     |           |                      |           |                        |               | From             | To         |                               |  |   |            |                           |
| BED113  | B   | -         | O                    | 534,828   | 534,828                | 6/29/2021     | 6/25/2021        | 9/30/2022  | DEPARTMENT OF TRANSPORTATION  | MOA 21039 Kahea Airport Greetings  | Progress reports, final financial and written reports   | Y          | S                         |
| BED113  | B   | 40,000    | O                    | 50,000    | 10,000                 | 6/23/2021     | 7/1/2021         | 8/31/2022  | HAWAII ECOTOURISM ASSOCIATION | PON 21034 Sustainable Tourism Management   | Progress reports, final financial and written reports   | Y          | S                         |
| BED113  | B   | -         | O                    | 25,000    | 25,000                 | 12/28/2020    | 12/24/2020       | 12/31/2021 | HULA BOWL, LLC., THE          | PON 20188 S1 Hula Bowl   | Progress reports, final financial and written reports   | Y          | S                         |
| BED113  | B   | 15,000    | O                    | 30,000    | 15,000                 | 12/28/2020    | 12/23/2020       | 5/31/2022  | KLONINGER & SIMS CONSULTING   | PON 21018 Hawaii Timeshare Quarterly Survey  | Progress reports, final financial and written reports   | Y          | S                         |
| BED113  | B   | 13,500    | O                    | 22,500    | 9,000                  | 6/16/2021     | 6/7/2021         | 3/31/2022  | LANAI CULTURE & HERITAGE      | PON 21023 Lanai Guide App Enhancements - DMAP 2021   | Progress reports, final financial and written reports   | Y          | S                         |
| BED120  | N   | 44,235    | O                    | 200,000   | 155,765                | 10/18/2016    | 10/18/2016       | 12/31/2021 | DUNCAN, WEINBERG              | TECHNICAL SUPPORT IN REGULATORY PROCEEDINGS  | Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis              | Y          | S                         |
| BED120  | P   | 65,528    | O                    | 175,000   | 109,472                | 10/11/2018    | 10/11/2018       | 3/31/2022  | ENGINEERING ECON              | PROV TECHNICAL ASSISTANCE F/ADVANCING ENERGY EFFICIENCY IN HAWAII PUBLIC   | Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis              | Y          | S                         |
| BED120  | N   | 425       | O                    | 100,000   | 99,575                 | 10/30/2020    | 10/30/2020       | 6/30/2022  | ICF INCORPORATED              | PROFESSIONAL EXPERT WITNESS TECHNICAL SVCS TO SUPPORT VARIOUS ENERGY POLICY-RELATED REGULATORY PROCEEDINGS   | Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis              | Y          | S                         |
| BED120  | N   | 3,451     | O                    | 100,000   | 96,549                 | 2/24/2021     | 2/24/2021        | 12/31/2022 | UNIVERSITY OF HA              | DESIGN, DEVELOP & DELIVER 3D VISUALIZATION OF RENEWABLE ENERGY BUILDOUT AS THE STATE APPROACHES 100% RPS IN THE ELECTRIC SECTOR                              | Through respective contract scope of services, time of performance, compensation and payment schedule conditions. | Y          | S                         |
| BED120  | N   | -         | O                    | 149,460   | 149,460                | 5/26/2021     | 5/26/2021        | 6/30/2022  | MAUI ECONOMIC DE              | DEV STATEWIDE CLEAN ENERGY PUBLIC EDUCATION & OUTREACH PRGM TO FOSTER THE ADOPTION OF CLEAN ENERGY CURRICULA IN SCHOOLS                                      | Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis              | Y          | S                         |
| BED120  | N   | -         | O                    | 150,000   | 150,000                | 5/26/2021     | 5/26/2021        | 6/30/2022  | ESSENCE PARTNERS              | DEV & IMPLEMENT STRATEGIC COMMUNICATIONS PRGM TO SUPPORT HSEO'S PROACTIVE OUTREACH INITIATIVES   | Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis              | Y          | S                         |
| BED120  | N   | 17,137    | O                    | 99,338    | 82,201                 | 6/10/2021     | 6/10/2021        | 6/30/2022  | ICF INCORPORATED              | TECHNICAL ASSISTANCE TO HSEO TO UPDATE THE CONTENT OF THE Hawai'i RENEWABLE ENERGY PERMITTING WIZARD & PROVIDE SUPPORT FOR THE POWERING PAST COAL TASK FORCE | Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis              | Y          | S                         |
| BED120  | N   | -         | O                    | 107,487   | 107,487                | 8/26/2021     | 8/26/2021        | 6/30/2022  | DTL, LLC                      | PLAN, DEVELOP & IMPLEMENT A COMMUNITY OUTREACH & STAKEHOLDER ENGAGEMENT PROGRAM  | Periodic meetings, email and phone communications, approval of allowable costs on an as needed basis              | Y          | S                         |
| BED 130 | V   | 866,581   | Q                    | 910,047   | 276,545                | 1/1/2019      | 1/1/2019         | 10/30/2022 | HonBlue                       | Printign of inflight survey forms  | Monthly report from the vendor  | Y          | S                         |
| BED 130 | V   | 1,473,886 | Q                    | 1,959,511 | 485,625                | 1/1/2019      | 1/1/2019         | 12/31/2022 | OmniTrak Group                | Visitor departure surveys  | Monthly meetigns with contractor  | Y          | S                         |
| BED 130 | V   | 924,652   | Q                    | 1,258,623 | 333,971                | 1/1/2019      | 1/1/2019         | 12/31/2022 | SMS Research                  | Visotr inflight survey   | Monthly meetigns with contractor  | Y          | S                         |

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|---------|-----|-----------|----------------------|-----------|------------------------|---------------|------------------|------------|-------------------------------|---|--|------------|---------------------------|
|         |     |           |                      |           |                        |               | From             | To         |                               |   |  |            |                           |
| BED 130 | V   | -         | Q                    | 435,000   | 435,000                | 11/4/2021     | 11/4/2021        | 12/31/2024 | OmniTrak Group                | Resident Sentiment Survey   | Monthly meetigns with contractor   | Y          | S                         |
| BED 130 | V   | 558,913   | Q                    | 838,370   | 279,457                | 1/1/2021      | 12/31/2023       |            | Anthology Marketing Group     | Visitor Satisfaction Survey   | Monthly meetigns with contractor   | Y          | S                         |
| BED143  | B   | 240,207   | M                    | 677,140   | 41,466                 | 11/1/2021     | 11/1/2017        | 10/31/2022 | Colliers International        | Property management   | HTDC staff os onsite daily   | Y          | S                         |
| BED144  | N   | -         | O                    | 100,000   | 100,000                | 12/18/2019    | 12/2/2019        | 12/30/2021 | COUNTY OF HAWAII              | 12/30/20 - SVCS FOR SHORELINE & RIPARIAN SETBACK STUDY                    | Through respective contract scope of services, time of performance, compensation and payment schedule conditions.  | Y          | S                         |
| BED144  | N   | -         | O                    | 59,225    | 59,225                 | 10/27/2020    | 10/5/2020        | 12/31/2021 | COUNTY OF KAUAI               | DEVELOPMENT OF UPDATED SEA LEVEL RISE (SLR) INFORMATION & GIS LAYERS      | Same as Above  | Y          | S                         |
| BED144  | N   | 35,000    | O                    | 250,000   | 215,000                | 1/29/2021     | 1/20/2021        | 3/30/2022  | ROBERTSON, IAN N.             | DEVELOPMENT OF COMPREHENSIVE HIGH-RESOLUTION PROBABILISTIC TSUNAMI DESIGN | Same as Above  | Y          | S                         |
| BED144  | N   | -         | O                    | 190,067   | 190,067                | 11/30/2021    | 11/23/2021       | 3/31/2023  | UNIVERSITY OF HAWAII          | KOKUA COMMUNITY BASED MONITORING PROGRAM                                  | Same as Above  | Y          | S                         |
| BED146  | B   | 345,688   | Monthly              | 372,528   | 26,860                 | 1/14/2020     | 1/3/2020         | 1/2/2022   | ALLIED UNIVERSAL SECURITY     | SECURITY SVCS FOR NELHA - SECURITY  | Contract is monitored according to the contract deliverables as outlined in the scope of services and compensation payment scheduled. The OIC on the contract does the monitoring. | Y          | S                         |
| BED146  | B   | 49,558    | Monthly              | 57,984    | 8,426                  | 1/17/2020     | 1/11/2020        | 1/12/2022  | PWC HAWAII CORPORATION        | JANITORIAL SVCS FOR NELHA   | Same as Above  | Y          | S                         |
| BED146  | B   | 3,688     | Other                | 14,750    | 11,063                 | 4/12/2021     | 3/31/2021        | 12/31/2021 | PLANB CONSULTANCY, INC.       | BENTHIC, FISH BIOTA, ANCHIALINE POND & INTERTIDAL POOL SURVEY FOR NELHA   | Same as Above  | Y          | S                         |
| BED146  | C   | 221,940   | Other                | 2,721,319 | 2,499,379              | 8/8/2016      | 8/12/2016        | 10/16/2022 | WATER RESOURCES               | 08/15/18 PLAN, DESIGN AND CONSTRUCT ON EXPLORATORY POTABLE WATER WELL.    | Same as Above  | Y          | S                         |
| BED146  | C   | 24,130    | Other                | 294,500   | 270,370                | 4/28/2020     | 2/24/2020        | 2/24/2022  | TERRASOND LIMITED             | UNDERWATER PIPELINE SURVEY & DESIGN SERVICES                              | Same as Above  | Y          | S                         |
| BED146  | C   | 121,534   | Other                | 249,996   | 128,463                | 6/1/2020      | 6/15/2020        | 6/15/2022  | TOWILL, R. M. CORPORATION     | KONA REGIONAL SEAWATER A/C DISTRICT - HAWAII                              | Same as Above  | Y          | S                         |
| BED146  | C   | 359,027   | Other                | 366,975   | 7,948                  | 6/10/2020     | 7/6/2020         | 12/7/2020  | ITC WATER MANAGEMENT, INC.    | KAHILIHILI DEEP SEAWATER DISTRIBUTION PIPELINE INSTALLATION               | Same as Above  | Y          | S                         |
| BED146  | C   | 19,000    | Other                | 205,500   | 186,500                | 5/26/2021     | 5/6/2021         | 8/1/2022   | MAKAI OCEAN ENGINEERING, INC. | REMOVAL DEEP SEA PIPELINES  | Same as Above  | Y          | S                         |
| BED146  | C   | 278,923   | Other                | 1,047,324 | 768,401                | 4/7/2021      | 3/22/2021        | 1/31/2025  | WRNS STUDIO                   | PLAN & DESIGN NEW INNOVATION CENTER 7 HALE WAWAIOLI                       | Same as Above  | Y          | S                         |
| BED151  | D   | 233,586   | Other                | 1,850,000 | 1,616,414              | 1/16/2020     | 12/27/2019       | 6/26/2022  | ENCORED, INC.                 | RENEWABLE ENERGY SVCS - TERM 12/27/19 + 912 CALENDAR DAYS                 | Same as Above  | Y          | S                         |
| BED146  | P   | 1,300,482 | Other                | 1,846,412 | 545,930                | 7/30/2019     | 7/3/2019         | 6/28/2022  | TREVI SYSTEMS, INC.           | HAWAII SOLAR DESALINATION PROJECT   | Same as Above  | Y          | S                         |

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|         |     |         |                      |           |                        |               | From             | To                  |                                       |  |  |            |                           |
| BED146  | P   | -       | Other                | 1,409,323 | 1,409,323              | 10/20/2021    | 10/3/2021        | 11/30/2025          | HATCH ACCELERATOR FUND MANAGEMENT LLC | AQUACULTURE ACCELERATOR AT NELHA HOST PARK                               | Same as Above  | Y          | S                         |
| BED150  | W   | 11,791  | O                    | 151,672   | 139,685                | 4/26/2011     | 6/1/2011         | After SHPD approval | CULTURAL SURVEYS HAWAII, INC.         | ARCHAEOLOGICAL MONITORING FOR THE FORT BARRETTE/ENTERPRISE RD ENERGY     | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 82,740  | O                    | 121,899   | 39,159                 | 11/17/2016    | 12/1/2016        | 11/30/2021          | HONEYWELL INTERNATIONAL, INC.         | MAINTENANCE & REPAIRS OF AIR CONDITION OF MAERICAN BREWERY BLDG          | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 184,574 | O                    | 220,976   | 36,402                 | 3/27/2018     | 4/3/2018         | 4/2/2022            | FEDERAL MAINTENANCE HAWAII,           | JANITORIAL SVCS FOR HCDA'S OFFICE AT THE AM BREWERY BLDG KAKAAKO         | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 17,459  | M                    | 29,421    | 11,962                 | 7/23/2018     | 8/1/2018         | 7/31/2022           | ELEVATOR SERVICES LLC                 | NTP36MOS ELEVATORS SVCS F/AMERICAN BREWRY BLDG-KAKAAKO COMM DEV DISTRICT | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 18,255  | M                    | 26,212    | 7,957                  | 7/23/2018     | 2/1/2019         | 1/31/2023           | ELEVATOR SERVICES LLC                 | NTP36MOS ELEVATORS SVCS F/KAUHALE KAKAAKO PRKG GARAGE-KAKAAKO COMM DEV   | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 180,983 | M                    | 216,237   | 35,254                 | 1/24/2019     | 1/22/2019        | 1/21/2022           | NOHONANI LANDSCAPE, LLC               | GROUND MAINTENANCE SVCS F/KOLOWALU PARK & QUEEN ST EXTENSION, KAKAAKO    | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 391,102 | M                    | 776,570   | 385,467                | 2/13/2019     | 1/1/2019         | 12/31/2022          | DIAMOND PARKING SERVICES, LLC         | KAUHALE KAKAAKO PKG GARAGE MGMT MAINT OP & SEC SVCS-KAKAAKO COMM DEV DIS | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 27,441  | O                    | 107,841   | 80,400                 | 9/5/2019      | 9/25/2019        | 9/24/2022           | PACIFIC CONSTRUCTION BUILDERS,        | BLDG MAINTENANCE & REPAIR SVCS FOR HCDA OFFICE AT 547 QUEEN ST           | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 82,058  | M                    | 140,086   | 58,028                 | 9/5/2019      | 12/1/2019        | 11/30/2022          | HONOLULU DISPOSAL SERVICE, INC        | REFUSE COLLECTION FOR KEWALO BASIN HARBOR & 59 AHUI ST. KAKAAKO COMMUNIT | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 139,029 | M                    | 182,176   | 43,147                 | 1/9/2020      | 2/1/2020         | 1/31/2023           | WAIKIKI HEALTH                        | JANITORIAL, REFUSE COLLECTION & MAINT SVCS FOR KEWALO BASIN HARBOR &     | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 133,114 | M                    | 400,000   | 266,886                | 10/14/2020    | 11/2/2020        | 11/1/2022           | TORTI GALLAS AND PARTNERS INC         | UPDATE THE KALAELOA COMMUNITY DEVELOPMENT DISTRICT PLAN & RULES-         | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | 60,194  | O                    | 86,193    | 25,998                 | 11/12/2020    | 11/8/2020        | 11/7/2021           | DOONWOOD ENGINEERING, INC.            | FURNISHING MAINTENANCE, REPAIR, TESTING SVCS FOR SEWAGE PUMP & BACKFLOW  | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |

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|         |     |           |                      |           |                        |               | From             | To         |                                |  |  |            |                           |
| BED150  | W   | 25,375    | O                    | 82,427    | 57,052                 | 4/17/2021     | 4/26/2021        | 4/26/2022  | AECOM TECHNICAL SERVICES, INC. | SMALL MUNICIPAL SEPARATE STORM SEWER SYSTEMS IN KAKAOKO, KBH             | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | -         | O                    | 149,581   | 149,581                | 7/26/2021     | 8/19/2021        | 2/20/2023  | HI ARCH Y LLP                  | PREPARE A TRANSIT ORIENTED DEVELOPMENT REGULATING PLAN AND RULES         | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | -         | M                    | 129,328   | 129,328                | 9/15/2021     | 11/1/2021        | 10/31/2024 | DIAMOND PARKING SERVICES, LLC  | PARKING MGMT, OP, MAINT SVCS AT KBH DIAMOND HEAD PARKING LOT             | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED150  | W   | -         | M                    | 556,366   | 556,366                | 9/22/2021     | 11/1/2021        | 10/31/2024 | AREKAT PACIFIC SECURITY, INC.  | SECURITY GUARD FOR BKH DIAMOND HEAD PARKING AREA & KOLOWALU PARK         | Contracts are monitored continuously through discussion with the contractor and review of all invoices prior to payment. | Y          | S                         |
| BED160  | W   | 253,067   | O                    | 345,000   | 91,933                 | 3/24/2016     | 3/25/2016        | 12/27/2021 | DURRETT LANG, LLLP             | LEGAL SVCS IN CONNECTION IWTH & IN SUPPORT OF HHFDC'S REAL PROPERTY      | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | C                         |
| BED160  | W   | 63,825    | O                    | 93,219    | 29,394                 | 5/14/2016     | 6/16/2016        | 6/15/2018  | JONIQUE & CO, LLC              | PROVIDE ST SWEEPING SVCS FOR THE VILLAGES OF KAPOLEI                     | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | W   | 311,815   | O                    | 405,000   | 93,185                 | 7/28/2016     | 9/1/2016         | 8/31/2019  | HAWAII WORKS, INC.             | MAINTAIN & REPAIR SIDEWALKS & CATCH BASIN WITH THE VILLAGES AT KAPOLEI   | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | W   | 536,972   | O                    | 682,335   | 145,363                | 3/23/2017     | 4/3/2017         | 4/2/2023   | YOGI KWONG ENGINEERS, LLC      | REVIEW EXISTING REPORTS, PROVIDE OPIONION ON SLOPE MOVEMENT, RECOMMEND   | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | C   | 166,551   | O                    | 780,000   | 613,449                | 4/3/2017      | 5/1/2017         | 4/29/2022  | BILLS ENGINEERING INC.         | DESIGN OF WATER SOURCE WELL, SELL SUPPORT FACILITIES & PUMP CONTROL BLDG | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | W   | 1,001,152 | O                    | 1,100,794 | 99,642                 | 9/7/2017      | 9/18/2017        | 3/16/2022  | GRAY, HONG, NOJIMA &           | ENGINEERING SVCS FOR THE DEDICATION OF INFRASTRUCTURE & FOR CONSTRUCTION | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | W   | 9,753     | O                    | 293,386   | 283,632                | 11/22/2017    | 11/22/2017       | 11/21/2019 | PREMIER TITLE & ESCROW, INC.   | ESCROW & TITLE SERVICES FOR HHFDC REAL ESTATE TRANSACTIONS #18-005-RESS  | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | W   | 60,489    | O                    | 87,804    | 27,315                 | 10/26/2017    | 11/1/2017        | 10/31/2022 | SKALABLE TECHNOLOGIES CORP     | ANNUAL SOFTWARE LICENSE RENEWALS & RELATED TECHNICAL SUPPORT & CONSUTLIN | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | C   | 54,159    | O                    | 397,952   | 343,793                | 1/26/2018     | 2/15/2018        | 2/14/2022  | BILLS ENGINEERING INC.         | DESIGN OF RESERVOIR TANK, WATER LINES & APPURTENANCE IN WAIHOLE VALLEY   | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | W   | -         | O                    | 236,250   | 236,250                | 10/4/2017     | 10/4/2017        | 10/20/2020 | LOCATIONS LLC                  | 10/03/2018 REAL ESTATE BROKER SVCS F/THE SALE OF HHFDC OWNED PROPERTIES  | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | W   | 49,466    | O                    | 70,966    | 21,500                 | 6/7/2018      | 6/7/2018         | 6/6/2020   | MANTHOS ENGINEERING LLC        | FEASIBILITY STUDY F/DIAGONAL PARKING ALONG WAILANI STREAM AT KAU'OLU     | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | S                         |
| BED160  | W   | 182,207   | O                    | 516,882   | 334,675                | 5/18/2018     | 7/1/2018         | 6/30/2022  | TED'S WIRING SERVICE, LTD.     | REPAIR & MAINTENANCE OF STREET LIGHTS AT THE VILLAGES OF KAPOLEI-06/30/2 | Staff oversees actual work; disbursements are monitored by Fiscal Office.  | Y          | C                         |

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|         |     |           |                      |            |                        |               | From             | To         |                               |  |   |            |                           |
| BED160  | W   | 573,472   | O                    | 600,000    | 26,528                 | 7/16/2018     | 7/16/2018        | 7/15/2022  | MUNEKIYO & HIRAGA, INC.       | COMM PLNG SVCS TO IDENTIFY DEVLPMNT REQUIREMENTS, MSTR PLN & SUBDIVISION                   | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 923,306   | O                    | 1,500,000  | 576,694                | 12/4/2018     | 12/17/2018       | 12/16/2022 | GROUP 70 INTERNATIONAL, INC.  | HAZARDOUS MATERIALS ASSESSMENT, MASTER PLAN & LAND USE APPROVALS F/COUNTY                  | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 16,200    | O                    | 40,000     | 23,800                 | 1/31/2019     | 2/1/2019         | 1/31/2022  | CHILD, JOHN & COMPANY, INC.   | APPRAISAL OF THE LEASED FEE INTEREST IN THE FRONT ST APT IN LAHAINA, MAUI                  | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 50,183    | O                    | 75,183     | 25,000                 | 2/28/2019     | 3/1/2019         | 2/28/2022  | CHILD, JOHN & COMPANY, INC.   | APRAISAL OF THE LEASEHOLD INTEREST IN THE FRONT ST APTS IN LAHAINA, MAUI                   | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 10,000    | O                    | 18,000     | 8,000                  | 4/16/2019     | 4/22/2019        | 12/31/2021 | BLX GROUP LLC                 | BOND ARBITRAGE REBATE- STATEWIDE(B&F,DHHL, DOT-AIRP, HARB, HWYS, DBEDT/HHFDC)              | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 456,313   | O                    | 2,070,400  | 1,614,087              | 4/29/2019     | 5/2/2019         | 5/1/2023   | HAWAII NATIONAL LANDSCAPE,    | 04/30/2021 PERFORM IRRIGATION REPAIRS AND LANDSCAPE MAINTENANCE AT THE VILLAGES AT KAPOLEI | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 38,578    | O                    | 100,860    | 62,282                 | 6/30/2019     | 6/30/2019        | 6/29/2022  | ELEMENT ENVIRONMENTAL, LLC    | 06/29/2020 PROJECT MANAGEMENT AND OVERSIGHT OF THE REMOVAL AND                             | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 464,500   | O                    | 1,074,800  | 610,300                | 7/2/2019      | 9/3/2019         | 9/2/2023   | LANGI, HARLAN T.              | TREE SVCS IN THE VILLAGES OF KAPOLEI   | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 63,448    | O                    | 225,000    | 161,552                | 6/28/2019     | 6/28/2019        | OPEN       | SCHNEIDER TANAKA RADOVICH     | PROV SPECIAL LEGAL COUNSEL SVCS F/THE PREPARATION OF SEWER SYSTEM                          | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  |     | 8,292,767 | O                    | 19,492,076 | 11,199,309             | 11/19/2019    | 11/19/2019       | 9/29/2022  | MK ALDER STREET, LLC          | DEVELOPMENT AGREEMENT(DA), OWNERSHIP & OPERATION OF AN AFFORDABLE RENTAL                   | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 138,597   | O                    | 150,000    | 11,403                 | 11/7/2019     | 11/8/2019        | 11/7/2021  | TOWNSCAPE, INC.               | PROFESSION COMMUNITY PLANNING SVCS TO PREPARE THE WAIHOLE STRATEGIC                        | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 146,763   | O                    | 500,000    | 353,237                | 11/27/2019    | 12/2/2019        | 12/1/2023  | MUNEKIYO & HIRAGA, INC.       | PROVIDE COMMUNITY PLANNING SVCS F/KEAWE ST & VILLAGES OF LEIALI'I                          | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 25,772    | O                    | 75,000     | 49,228                 | 3/21/2017     | 3/21/2017        | 1/22/2024  | BELT COLLINS HAWAII LLC       | PLANNING & ENGINEERING WORK F/VILLAGES OF LEIALI'I(L-74)-01/22/2024                        | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 432,731   | O                    | 747,843    | 315,112                | 4/13/2020     | 4/13/2020        | 4/12/2024  | FUKUMOTO ENGINEERING, INC.    | CIVIL ENGINEERING SVCS TO COMPLETE CONSTRUCTION DOCUMENTS, PERMITTING &                    | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 322,740   | O                    | 573,800    | 251,060                | 6/18/2020     | 7/1/2020         | 6/30/2022  | DOONWOOD ENGINEERING, INC.    | TO PROV OPERATION & MAINTENANCE SVCS TO ENSURE ONGOING OPS OF THE                          | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | N   | 569,419   | O                    | 2,201,633  | 1,632,214              | 6/26/2020     | 7/20/2020        | 7/20/2025  | PBR HAWAII & ASSOCIATES, INC. | LILUHA CIVIC CTR - DEVELOPMENT PRGM MASTER PLAN & ENVIRONMENTAL IMPACT                     | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 42,883    | O                    | 133,136    | 90,253                 | 6/29/2020     | 7/8/2020         | 7/7/2023   | MITSNAGA & ASSOCIATES         | PROFESSIONAL ARCHITECTURAL ENGINEERING SVCS FOR THE CONSTRUCTION MONITORING                | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |

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|---------|-----|-----------|----------------------|-----------|------------------------|------------------|-----------|------------|------------------------------------|--|---|------------|---------------------------|
|         |     |           |                      |           |                        | Date Executed    | From      | To         |                                    |  |   |            |                           |
| BED160  | W   | 528,125   | O                    | 800,000   | 271,875                | 7/1/2020         | 7/6/2020  | 7/5/2022   | MANTHOS ENGINEERING LLC            | CONSTRUCTION MGMT SVCS FOR VILLAGES OF KAPOLEI RDWY REHAB PROJECT          | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 54,393    | O                    | 184,720   | 130,327                | 7/8/2020         | 7/8/2020  | 7/7/2022   | PURAL WATER SPECIALTY CO, INC.     | VILLAGES OF KAPOLEI NON-POTABLE WATER SYSTEM MAINTENANCE                   | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 261,227   | O                    | 400,000   | 138,773                | 8/22/2020        | 8/25/2020 | 8/24/2025  | OKAHARA AND ASSOCIATES             | PROFESSIONAL ENGINEERING SVCS FOR WAI AHOLE POTABLE WATER SYS REPAIRS      | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 1,859,856 | O                    | 7,940,919 | 6,081,063              | 6/4/2020         | 8/3/2020  | 2/4/2022   | GRACE PACIFIC LLC                  | VILLAGES OF KAPOLEI, ROAD, RECONSTRUCTION&REHABILITATION OF EXISTING ROADS | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 82,003    | O                    | 378,300   | 296,297                | 5/15/2020        | 8/10/2020 | 8/9/2022   | SUNSHINE LANDSCAPE CO., INC.       | LANDSCAPE MAINTENANCE SVCS IN WAI AHOLE VALLEY                             | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 11,700    | O                    | 120,000   | 108,300                | 6/30/2020        | 7/6/2020  | 6/30/2023  | HAWKINS DELAFIELD & WOOD, LLP      | 06/30/2019 - SPECIAL DEPUTY ATTORNEY GENERAL SERVICES- BOND COUNSEL        | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | C                         |
| BED160  | W   | 42,896    | O                    | 100,167   | 57,271                 | 8/20/2020        | 9/21/2020 | 9/20/2022  | H.T.M. CONTRACTORS, INC.           | KAPOLEI MASTER PLAN, PROV STREET SWEEPING SVCS                             | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 39,750    | O                    | 109,500   | 69,750                 | 12/22/2020       | 3/16/2021 | 3/18/2023  | ISLAND LANDSCAPING AND MAINTENANCE | PERFORM LOWER DRAINAGE CHANNEL IN VILLAGES OF KAPOLEI                      | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 279,511   | O                    | 717,300   | 437,789                | 02/0221          | 3/30/2021 | 3/30/2025  | PACIFIC ISLES EQUIPMENT            | VILL OF KAPOLEI - PROVIDE RDWY SIDEWALK & CATCH BASIN REPAIRS              | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 193,751   | O                    | 300,000   | 106,249                | 5/5/2021         | 5/6/2021  | 5/5/2023   | OKAHARA AND ASSOCIATES             | ENGINEERING SVCS FOR EMERGENCY RPRS OF WAI AHOLE VALLEY WATER SYSTEM       | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 439,992   | O                    | 995,281   | 555,289                | 5/6/2021         | 5/7/2021  | 5/6/2023   | CLOSE CONSTRUCTION, INC.           | WAI AHOLE VALLEY EMERGENCY CONSTRUCTION REPAIRS                            | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | 64,500    | O                    | 799,500   | 735,000                | 6/1/2021         | 7/1/2021  | 6/30/2024  | SPECTRUM SEMINARS, INC.            | COMPLIANCE MONITORING  | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | -         | O                    | 2,000,000 | 2,000,000              | 6/30/2021        | 7/6/2021  | 7/6/2023   | WSP USA INC.                       | SVCS OF PROFESSIONAL ENGINEERS TO ASSIST IN DEDICATION OF INFRASTRUCTURE   | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | -         | O                    | 88,681    | 88,681                 | 12/31/2020       | 6/9/2021  | 6/8/2022   | CONTROL POINT SURVEYING, INC.      | LAND SURVEY & STAKING, LOCATION SVCS IN WAI AHOLE VALLEY                   | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | -         | O                    | 50,000    | 50,000                 | 9/20/2021        | 10/4/2021 | 10/3/2022  | CONTROL POINT SURVEYING, INC.      | ALTA TOPOGRAPHIC SURVEY  | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |
| BED160  | W   | -         | O                    | 60,000    | 60,000                 | 10/18/2021       | 11/1/2021 | 10/31/2023 | ENGINEERING PARTNERS, INC.         | PRELIM MASTER SITE PLAN & ENG STUDY OF PROJECT SITE                        | Staff oversees actual work; disbursements are monitored by Fiscal Office. | Y          | S                         |



Department of Business, Economic Development and Tourism  
Active Contracts as of December 1, 2021

Table 14

| Prog ID | MOF | Amount     | Frequency<br>(M/A/O) | Max Value  | Outstanding<br>Balance | Term of Contract |           |            | Entity                       | Contract Description   | Explanation of How Contract is<br>Monitored                                     | POS<br>Y/N | Category<br>E/L/P/C/G/S/* |
|---------|-----|------------|----------------------|------------|------------------------|------------------|-----------|------------|------------------------------|--|---|------------|---------------------------|
|         |     |            |                      |            |                        | Date Executed    | From      | To         |                              |  |   |            |                           |
| BED160  | W   | 42,592,013 | O                    | 42,592,013 | -                      | 8/12/2020        | 8/12/2020 | 12/15/2021 | CATHOLIC CHARITIES<br>HAWAII | NON-PROFIT INTERMEDIARY TO<br>COORDINATE HHFDC'S RENT RELIEF &<br>HOUSING ASSISTANCE PGM | Staff oversees actual work;<br>disbursements are monitored by<br>Fiscal Office. | Y          | S                         |
| BED160  | W   | 24,322,491 | O                    | 24,322,491 | -                      | 8/12/2020        | 8/12/2020 | 12/15/2021 | ALOHA UNITED WAY,<br>INC.    | NON-PROFIT INTERMEDIARY TO<br>COORDINATE HHFDC'S RENT RELIEF &<br>HOUSING ASSISTANCE PGM | Staff oversees actual work;<br>disbursements are monitored by<br>Fiscal Office. | Y          | S                         |
| BED160  | W   | 6,815,000  | O                    | 6,815,000  | -                      | 1/6/2021         | 1/6/2021  | 12/31/2021 | CATHOLIC CHARITIES<br>HAWAII | NON-PROFIT INTERMEDIARY TO<br>COORDINATE HHFDC'S RENTAL<br>ASSISTANCE MEDIATION PGM      | Staff oversees actual work;<br>disbursements are monitored by<br>Fiscal Office. | Y          | S                         |

Department of Business, Economic Development and Tourism  
Capital Improvements Program (CIP) Requests

Table 15

| <u>Prog ID</u> | <u>Prog ID</u><br><u>Priority</u> | <u>Dept-<br/>Wide<br/>Priority</u> | <u>Senate<br/>District</u> | <u>Rep.<br/>District</u> | <u>Project Title</u>  | <u>MOF</u> | <u>FY22 \$\$\$</u> | <u>FY23 \$\$\$</u> |
|----------------|-----------------------------------|------------------------------------|----------------------------|--------------------------|---|------------|--------------------|--------------------|
| BED107         | 1                                 | 1                                  | 12                         | 26                       | FTZ023 - Gutter Pipe Repair - FTZ, Oahu   | C          | \$ -               | \$ 400,000         |
| BED113         | 1                                 | 1                                  | 12                         | 22                       | HTA001 - Convention Center Rooftop Terrace Deck, Oahu   | C          |                    | \$ 64,000,000      |
| BED144         | 1                                 | 1                                  | 0                          | 0                        | OPTOD4 - STATE TRANSIT-ORIENTED DEVELOPMENT (TOD) PLANNING, STATEWIDE                             | C          | \$ 2,000,000       | \$ 1,000,000       |
| BED146         | 1                                 | 1                                  | 4                          | 6                        | 601 - UPDATE EXISTING ENVIRONMENTAL IMPACT STATEMENT FOR NELHA, HAWAII                            | C          | \$ -               | \$ 1,500,000       |
| BED146         | 2                                 | 2                                  | 4                          | 6                        | 604 - DEVELOPMENT TO ACCESS DEEP LAYER AQUIFERS TO SUPPLY FRESHWATER IN WEST HAWAII, HAWAII       | C          | \$ -               | \$ 500,000         |
| BED150         | 2                                 | 2                                  | 12                         | 26                       | KA016E - Repair of Fisherman's Wharf Bulkhead-Kewalo Basin Harbor, Kakaako, Oahu                  | C          | \$ -               | \$ 25,000,000      |
| BED150         | 1                                 | 1                                  | 20                         | 43                       | KL09 - Saratoga Ave Electrical and Communication Infrastructure Improvements, Kalaeloa, Oahu      | C          | \$ -               | \$ 12,125,000      |
| BED160         | 3                                 | 3                                  | 0                          | 0                        | HFDC05 - Dwelling Unit Revolving Fund Infusion, Statewide   | C          | \$ -               | \$ 20,000,000      |
| BED160         | 2                                 | 2                                  | 0                          | 0                        | HFDC09 - Cash Infusion for Rental Housing Revolving Fund, Statewide                               | C          | \$ -               | \$ 25,000,000      |
| BED160         | 1                                 | 1                                  | 13                         | 27                       | HFDC12 - Cash Infusion for Rental Housing Revolving Fund for HPHA Senior Affordable Housing, Oahu | C          | \$ 40,000,000      | \$ -               |

Department of Business, Economic Development and Tourism  
CIP Lapses

Table 16

| <u>Prog ID</u> | <u>Act/Year of Appropriation</u> | <u>Project Title</u> | <u>MOF</u> | <u>Lapse Amount</u><br>\$\$\$\$ | <u>Reason</u> |
|----------------|----------------------------------|----------------------|------------|---------------------------------|---------------|
|                |                                  |                      |            |                                 |               |
|                | None                             |                      |            |                                 |               |

Department of Business, Economic Development and Tourism  
Program ID Sub-Organizations

Table 17

| <u>Program ID</u> | <u>Sub-Org<br/>Code</u> | <u>Name</u> | <u>Objective</u> |
|-------------------|-------------------------|-------------|------------------|
| None              |                         |             |                  |
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Department of Business, Economic Development and Tourism  
American Rescue Plan Act Fund Initiatives

Table 19

| Prog ID | Amount Allotted | Budget for Personnel | Budget for OCE (Other Than Contracts) | Budget for Contracts | Dates of Initiative |            | Initiative Description  | Appropriating Act or GOV | Is This A New Initiative Or An Enhancement To An Existing Initiative/Program |
|---------|-----------------|----------------------|---------------------------------------|----------------------|---------------------|------------|---|--------------------------|--|
|         |                 |                      |                                       |                      | From                | To         |   |                          |  |
| BED100  | \$ 150,000      | \$ -                 | \$ 150,000                            | \$ -                 | TBD                 | TBD        | Made in Hawaii  | Act 2                    | New Initiative   |
| BED100  | \$ 100,000      | \$ -                 | \$ 100,000                            | \$ -                 | TBD                 | TBD        | Sister-State Program  | Budget Act               | New Initiative   |
| BED105  | \$ 100,000      | \$ 30,000            | \$ 10,000                             | \$ 60,000.00         | 4/1/2022            | 12/31/2023 | Creative Lab Hawaii Accelerator<br>Neighbor Island Programs - WFD   | Act 88 SLH<br>2021       | Enhancement to existing program  |
| BED113  | \$ 3,410,000    | \$ 3,410,000         | \$ -                                  | \$ -                 | 7/1/2021            | 6/30/2022  | Personnel, including fringe   | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 1,090,500    | \$ -                 | \$ -                                  | \$ 1,090,500.00      | 7/1/2021            | 12/31/2022 | Hawaiian Culture  | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 940,000      | \$ -                 | \$ -                                  | \$ 940,000.00        | 7/1/2021            | 12/31/2022 | Natural Resources   | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 1,235,500    | \$ -                 | \$ -                                  | \$ 1,235,500.00      | 7/1/2021            | 12/31/2022 | Community   | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 45,180,000   | \$ -                 | \$ -                                  | \$ 45,180,000.00     | 7/1/2021            | 12/31/2022 | Branding, including education and<br>regenerative tourism   | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 3,827,889    | \$ -                 | \$ -                                  | \$ 3,827,889.00      | 7/1/2021            | 12/31/2022 | Sports  | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 900,000      | \$ -                 | \$ -                                  | \$ 900,000.00        | 7/1/2021            | 12/31/2022 | Safety & Security   | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 60,000       | \$ -                 | \$ -                                  | \$ 60,000.00         | 7/1/2021            | 12/31/2022 | Research  | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 2,005,200    | \$ -                 | \$ -                                  | \$ 2,005,200.00      | 7/1/2021            | 12/31/2022 | Planning  | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 999,111      | \$ -                 | \$ -                                  | \$ 999,111.00        | 7/1/2021            | 12/31/2022 | Admin   | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 351,800      | \$ -                 | \$ -                                  | \$ 351,800.00        | 7/1/2021            | 12/31/2022 | Governance and Org-Wide   | Act 1, 2021<br>Spec Sess | Both   |
| BED113  | \$ 490,000      | \$ 490,000           | \$ -                                  |                      | 7/1/2021            | 6/30/2022  | Personnel, including fringe (HCC<br>allocation)   | Act 88, 2021             | Both   |
| BED113  | \$ 10,510,000   | \$ -                 | \$ -                                  | \$ 10,510,000.00     | 7/1/2021            | 12/31/2023 | HCC repair and maintenance  | Act 88, 2021             | Both (repair of existing facility)   |
| BED 130 | \$ 4,000,000    | \$ -                 | \$ 525,000                            | \$ 3,475,000.00      | 7/1/2021            | 6/30/2025  | Enhance tourism research to monitor<br>and assess the recovery of tourism,<br>providing detail data and analysis on<br>the progress of tourism recovery | Act 88, SLH<br>2021      | Enhancement to Existing program  |
| BED150  | \$ 300,000      | \$ -                 | \$ -                                  | \$ 300,000.00        | 7/1/2021            | 6/30/2022  | Heeia District Mangrove Remediation   | Act 88, SLH<br>2021      | New  |