

2013

ANNUAL REPORT



State of Hawaii

Department of Business, Economic Development & Tourism



This report fulfills reporting requirements in both:

- **Section 7, Act 100-99, SLH, and**
- **Section 201-10, HRS**

**Department of Business, Economic Development & Tourism
P.O. Box 2359, Honolulu, Hawaii 96804
250 S. Hotel St., 5th Floor
808-586-2355**

dbedt.hawaii.gov



DIRECTOR'S STATEMENT

DBEDT's mission continues to be achieving a Hawaii economy that embraces innovation and is globally competitive, dynamic and productive, providing opportunities for all Hawaii's citizens.

In particular, we serve as an advocate for renewable energy development, a resource for analytic data, and a facilitator for business development.

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.

Our efforts to stimulate Hawaii's economy have been selective and effective. DBEDT has sought to focus attention on sectors where investment and development potential is highest.

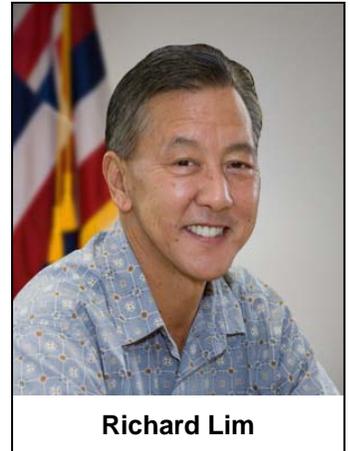
In 2013, Hawaii saw continued economic growth, led by key areas such as tourism and construction. We expect to see continued moderate growth in 2014.

For the local economy, DBEDT expects most of the economic indicators will continue to grow positively.

Overall, Hawaii's economy as measured by real GDP, is projected to show a 2.4 percent increase in 2013.

Real GDP growth in 2014 is expected at 2.8 percent.

Hawaii's unemployment rate is projected to be 4.6 percent in 2013 and 4.2 percent in 2014.



Richard Lim



Beyond 2014 the economy will continue on the expansion path with job growth expected to increase 1.7 percent in 2015 and 1.5 percent in 2016.

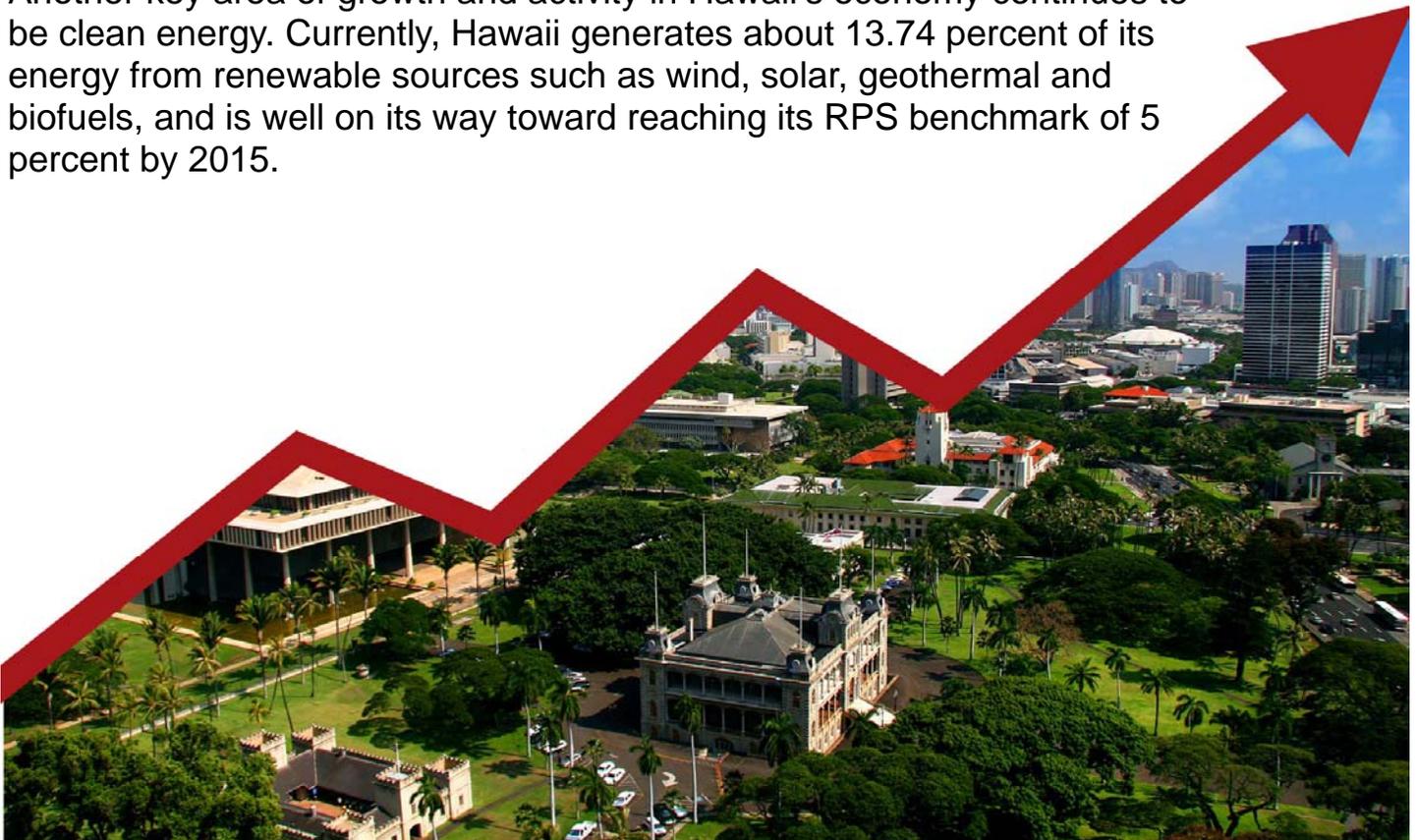
Visitor arrivals are expected to increase 2.3 percent in 2015 and 2.1 percent in 2016.

Visitor expenditures are expected to increase 5.0 percent in 2015 and 4.8 percent in 2016.

Real personal income is projected to increase 2.7 percent in 2015 and 2.4 percent in 2016.

Hawaii's real GDP growth is expected to increase 2.5 percent in 2015 and 2.3 percent in 2016.

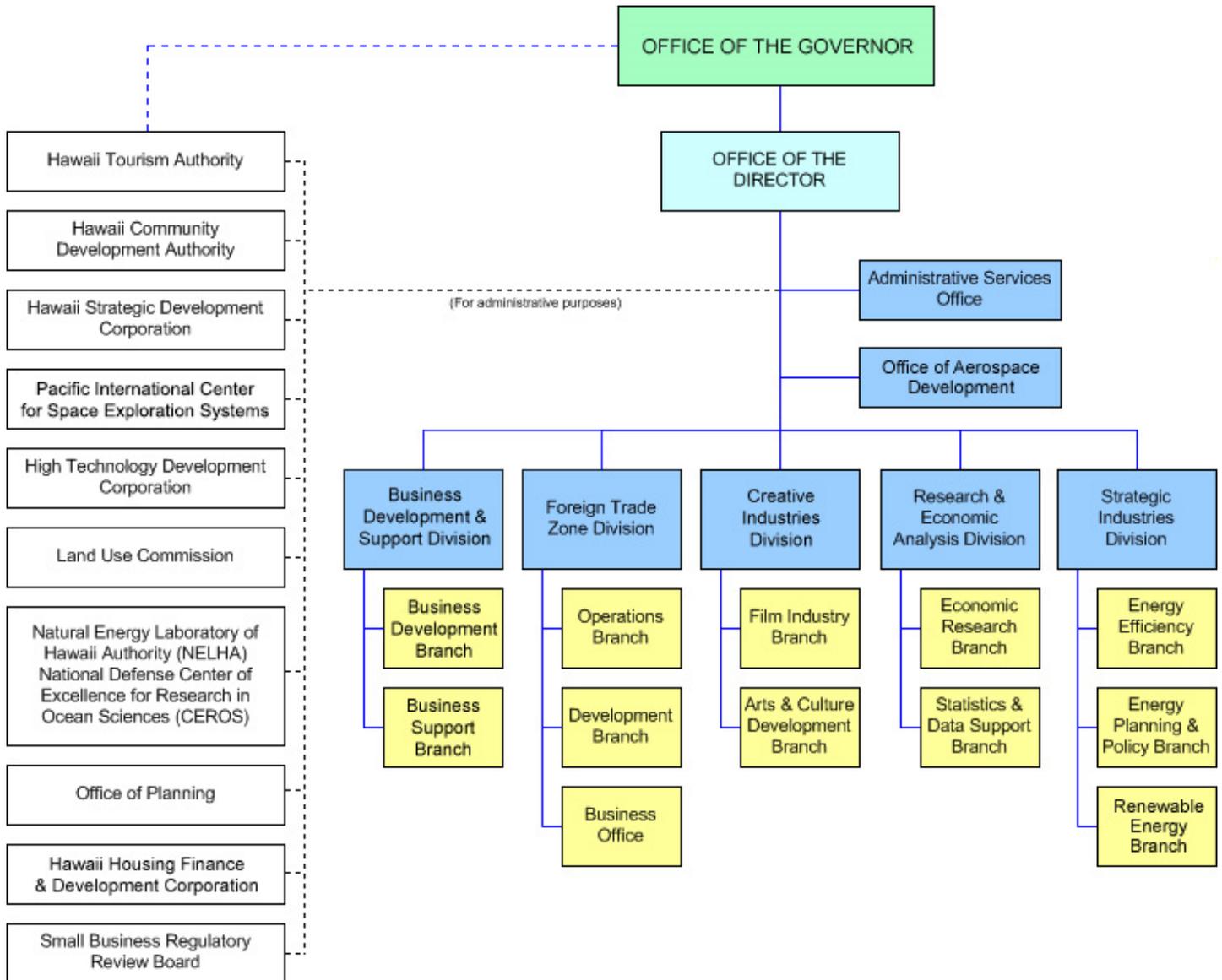
Another key area of growth and activity in Hawaii's economy continues to be clean energy. Currently, Hawaii generates about 13.74 percent of its energy from renewable sources such as wind, solar, geothermal and biofuels, and is well on its way toward reaching its RPS benchmark of 5 percent by 2015.





DBEDT

S T A T E O F H A W A I I





DBEDT DIVISIONS AND BRANCHES

Business Development and Support Division

[Strategic Marketing & Support Division](#)

808-587-2750

Business Development Branch

808-587-2759

Business Support Branch

808-587-2772

Strategic Industries Division

[Strategic Industries Division](#)

808-587-3807

Innovations, Planning and Policy

808-587-9006

Renewable Strategy Business Development

808-587-3803

Energy Efficiency Branch

808-587-3810

Foreign-Trade Zone Division

[Foreign-Trade Zone Division](#)

808-586-2507

Creative Industries Division

[Creative Industries Division](#)

Arts and Culture Development Branch

Phone: 808-587-2717

Film Industry Branch

Phone: 808-586-2570

Research & Economic Analysis Division

[Research & Economic Analysis Division](#)

808-586-2466

Economic Research Branch

808-586-2475

Statistics and Data Support Branch

808-586-5830



Business Development & Support

<http://invest.hawaii.gov/>

The Business Development & Support Division (BDSD) promotes industry development and diversification in Hawaii by supporting existing and emerging industries; attracting new investment and businesses that can create more skilled, quality jobs in the State; and working to increase exports of Hawaii products and services.

After winning a \$1 million grant from the US Small Business Administration to increase exports by participating in overseas trade shows, 107 companies ranging from fashion, food, gift and life sciences exhibited at various DBEDT produced Hawaii Pavilions in Japan, Korea and major cities on the US mainland. The economic impact of the Division's efforts in increasing exports totaled \$33 million.

The overseas offices in Taiwan and Beijing established "Hawaii Education Service Centers" at their offices to increase the number of international students enrolling in Hawaii's colleges and universities as part of an overall effort with the Study Hawaii Education Consortium of 20 public and private schools. The goal is to attract 200 international students in the coming year with an economic impact of \$11 million.

The first ever "Hawaii Fashion Month" was established in October with marquee events including a trade show with over 60 local participants attended by 2,000 trade and consumers and the "Governor's Fashion Awards".



The Tokyo International Gift Show 2013 featured a coordinated effort to feature more than 40 Hawaii companies in a unified Hawaii Display.

To date, participating companies have generated more than \$4 million in contract sales.



State Energy Office

<http://energy.hawaii.gov/>

DBEDT is growing our clean energy economy through the Hawaii Clean Energy Initiative (HCEI), the state's blueprint for energy independence.



Established in 2008, HCEI is a groundbreaking partnership between the State of Hawaii, the US Department of Energy, the military and the private sector. Through HCEI, the state plans to transform Hawaii's economy from one that is dependent on fossil fuels to a leader in renewable energy and energy efficiency within a single generation.

By 2030, Hawaii must:

- Reduce energy consumption by 30%
- Increase electrical generation from renewable resources by 40%
- Reduce the use of petroleum for ground transportation by 70%

Under the leadership of Gov. Neil Abercrombie, DBEDT works to make sustainability a reality for Hawaii and drives energy innovation by aligning policies among government agencies and the private sector. DBEDT also provides the framework and tools for energy developers and lines up opportunities for potential investors.

Our island state's abundance of diverse, natural resources and its unique geographic location make for an ideal proving ground for clean energy solutions in the Asia Pacific region.



As of 2012, Hawaii generated 13.74% of its energy from renewable resources, putting us close to achieving the Renewable Portfolio Standards (RPS) goal of 15% in 2015 and giving us a jumpstart on reaching the 2020 RPS target of 25%. The state is looking to maximize our renewable resources to go beyond the HCEI RPS goals. Our commitment to renewable energy has put Hawaii in the national spotlight on multiple lists of top states for solar penetration and installations.



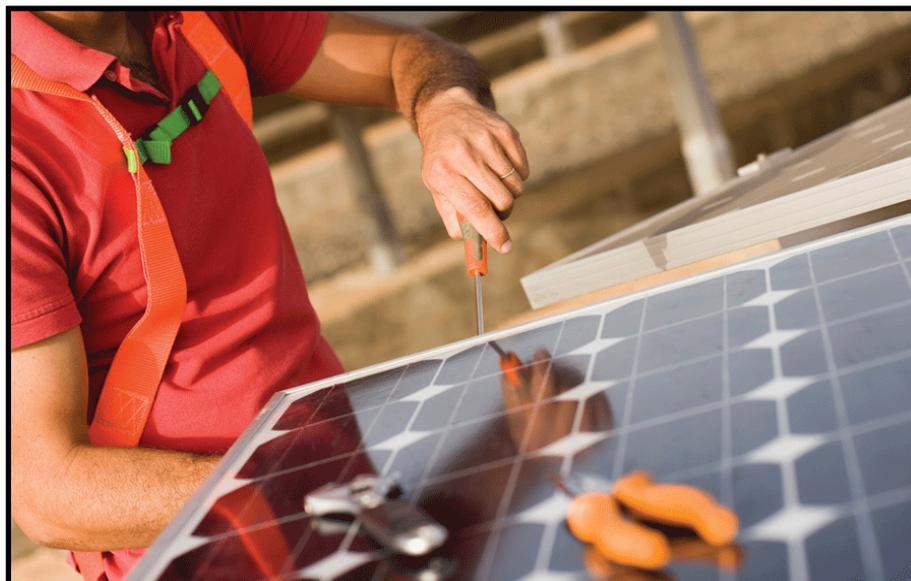
Hawaii is also a nationally recognized leader in terms of energy efficiency and conservation measures. We have ranked first in the nation in energy savings performance contracting (ESPC) two years in a row.

Through this and our Lead by Example initiative, in which the state is using efficiency measures in our own buildings, we are finding much success in the efficiency sector. As of 2012, the state has achieved a 14.47% reduction in energy consumption, nearly half way to our Energy Efficiency Portfolio Standards (EEPS) goal of 30% by the year 2030. And in June 2013, DBEDT presented a bold efficiency plan to the prestigious Clinton Global Initiative America by committing a \$300 million ESPC investment over the next two fiscal years.

The clean energy sector has become a significant driver in our state's economy. Entrepreneurs, driven by passion and powered by ingenuity, are helping to secure Hawaii's energy future by developing innovative technologies that can be deployed in communities statewide. This seedbed of innovation and creativity makes Hawaii a global leader in clean energy solutions for energy independence and economic growth.

Innovation is accelerating at a rapid rate, which in turns stimulates our economic growth. To help drive this energy revolution, DBEDT works as a catalyst by fostering bold policy solutions and providing a suite of self-help tools and roadmaps to assist energy developers and attract international investment.

DBEDT is also taking the lead in innovation, creating programs that will help make clean energy more accessible and affordable for Hawaii's families and businesses. The groundbreaking GEMS (Green Energy Market Securitization) program, passed by the 2013 state legislature and signed by Gov. Abercrombie, will open that door to those who might otherwise miss the benefits of clean energy improvements.





Research & Economic Analysis

<http://dbedt.hawaii.gov/economic/>

The Research & Economic Analysis Division (READ) works to enhance and contribute to the economic development of the State by providing analyses and policy recommendations on economic issues. READ provides economic forecasts that contribute to long-term statewide planning and infrastructure needs assessment, and also conducts and reports on basic research on the economy of the State.



READ produces an average of 50 economic and statistical reports a year, covering all aspects related to Hawaii's economy and the population. READ and the University of Hawaii are the only agencies that conduct economic studies on a regular basis.

READ also hosts the Hawaii State Data Center that partners with the U.S. Census Bureau and publishes Hawaii data, including the decennial census, the annual American Community Survey, Economic Census, and the annual population estimates. READ's website receives an average of 800,000 hits a month.

Some of the data products and reports READ produced include:

- Daily passenger count data online and the weekly unemployment claim data with analysis.
- The Quarterly Statistical and Economic Report with analysis and forecast.
- The State of Hawaii Data book.
- Hawaii's Monthly Economic Indicators.
- Monthly Energy Trend Data and Analysis.
- READ Quarterly Research Newsletter, highlighting recent READ products.
- Analytical/statistical reports on 2010 Census and American Community Survey data.
- Emerging Industry Benchmark Report 2012 Update.
- The 2007 State of Hawaii Input-Output Model.
- Self-sufficiency income standards 2009.
- A Hawaii's Creative Industries 2012 Update.
- A database for Hawaii Energy Industry Information Reporting Program (EIIRP), as established by Act 152, SLH 2010.





Foreign Trade Zone

<http://ftz9.org/>

DBEDT's Foreign-Trade Zone Division (FTZ) administers the federal grant, issued in 1965 to the State of Hawaii by the Foreign-Trade Zones Board in Washington, D.C. Hawaii has a large and diversified Zone program with nine authorized general-purpose sites and four subzones. Any company that imports and exports merchandise can take advantage of the benefits of the Foreign-Trade Zone program at the Pier 2 shared-use facility.



The strategic goals of the FTZ Division include: 1) participate in the economic development and planning efforts of the State; 2) continue to respond to the changing economic and community demands, adjusting services accordingly; and 3) operate without the use of the State of Hawaii General Fund.

The program's operational goals include:

- 1) Oversee the implementation of the FTZ program on a statewide basis to make the advantages of the FTZ program available to as many qualifying firms as possible.
- 2) Operate the FTZ public warehouse facility at Pier 2; provide office, exhibit, warehouse, and industrial space to qualified individual businesses.
- 3) Provide information to local, national, and international firms to explain the advantages of doing business in Hawaii under the auspices of the FTZ program.
- 4) Partner with both private and public sector entities to encourage greater participation in the FTZ program and attract new economic activity to Hawaii.
- 5) Continue operating the program in a self-sustaining manner without the use of general funds.
- 6) Implement information technology to reduce the transaction costs of complying with federal regulations.
- 7) Plan for the expansion of services and facilities to meet the needs of businesses that qualify for FTZ utilization.

For the Calendar year of 2012, FTZ9 surpassed all previous years with a record \$13.4 billion in merchandise handled by FTZs state wide; up 7.4% from 2011. Exports from Hawaii FTZs were also up 9.4% reaching nearly \$900 million. Statewide, FTZs also invested \$70 million in capital improvement in 2012.

In 2012, FTZ9 was ranked as one of the top ten Foreign-Trade Zones in the nation for exports and was ranked number two in the nation for the number of firms the program services.



Creative Industries

<http://cid.hawaii.gov/>

Creative Industries Division (CID) is the state's lead agency focused on the development of Hawaii's creative economy. Comprised of the Hawaii Film Office (HFO) and the Arts and Culture Development Branch (ACDB), the division supports programs, initiatives and acts as a business advocate for Hawaii's entrepreneurs and artists in the arts, culture, music, design, literary, film, television, digital and new media sectors. Current initiatives are focused on increasing the state's capacity for -growth areas in the creative ecosystem including creative content development and product exports.

Hawaii's creative sectors have grown 13.8% since 2001 and represent 47,264 entrepreneurs and companies. The sectors collectively generated \$3.8 billion in gross domestic product, representing 5.6% of Hawaii's total state GDP in 2011-12.



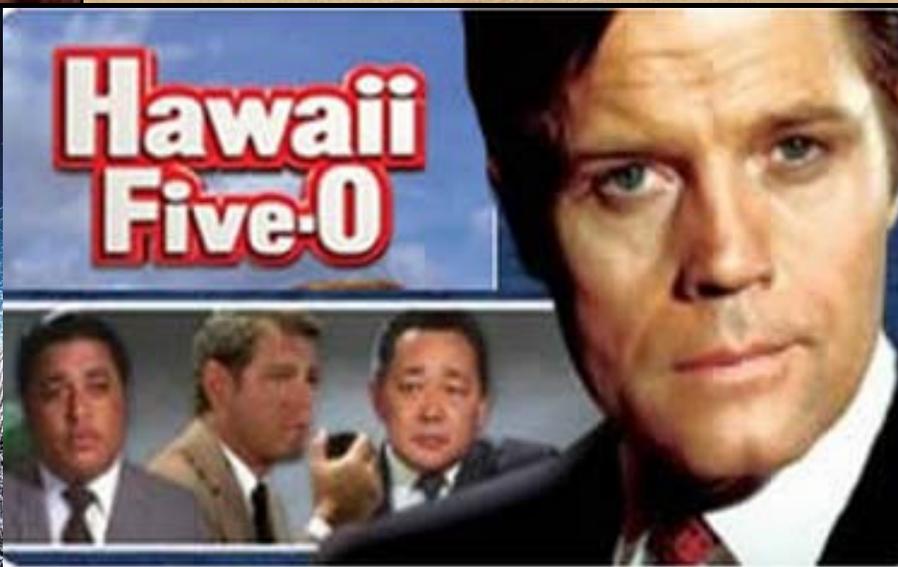
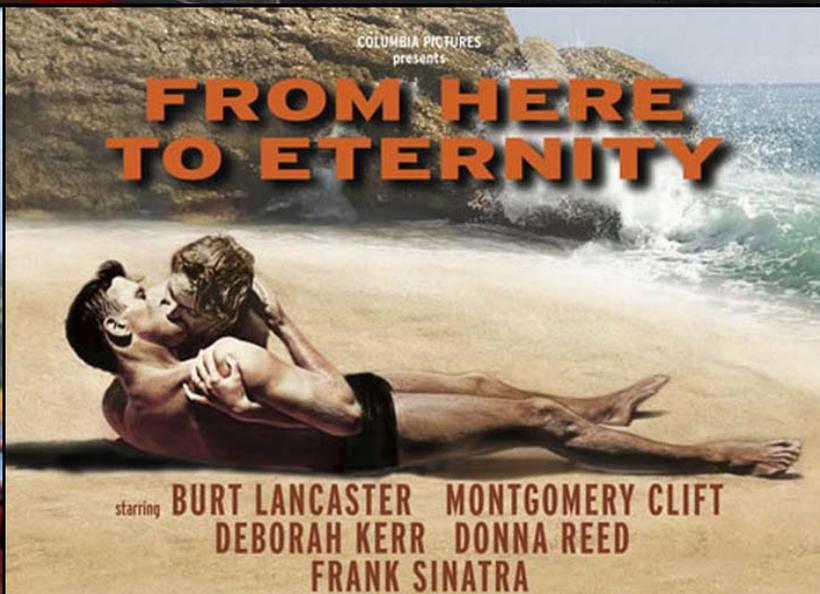
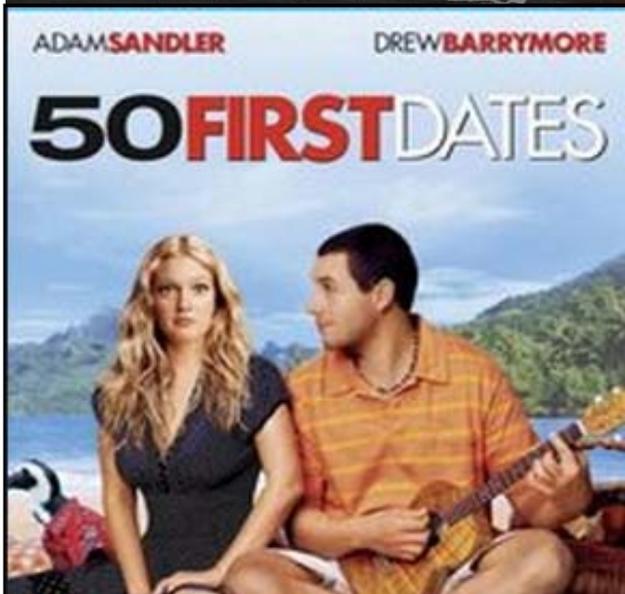
In addition to managing the statutory functions of film permitting, tax incentive and film studio management, the division established strategic partnerships with national industry organizations in music, cultural arts and film to leverage the State's investment in developing business opportunities for Hawaii's creative sectors.

2013 marked the 100th year of Hawaii's leading role as a production destination, signifying its key role as an economic driver and a key component of Hawaii's creative economy.

Estimated production revenues in 2013 reached \$250M, with an economic impact of \$400M, thanks to Hawaii's Production tax credit which has brought over \$1.4 billion in production activity to the State since 2006, and an estimated \$2.4 billion in economic impact.



A Century of Film in Hawaii





DBEDT ATTACHED AGENCIES

Hawaii Tourism Authority

The Hawaii Tourism Authority (HTA) is the official agency for tourism in the State of Hawaii. Among its responsibilities, HTA is charged with setting tourism policy and direction; developing and implementing the State's tourism strategic and marketing plan; managing programs and activities to sustain a healthy visitor industry; and coordinating tourism-related research, planning, promotional and outreach activities.

One of HTA's key strategic roles is managing the promotion of Hawaii's brand, and supporting programs to help deliver on the brand promise. This work requires HTA, as the overall custodian of the Hawaii brand, to ensure the alignment of advertising and marketing programs with a true Hawaii experience.

Successful brand management is achieved by HTA coordinating with global marketing partners, visitor industry partners, including domestic and international airline carriers, travel trade members, and community stakeholders to ensure marketing and communication efforts are on target and appropriate, and aligned with Hawaii's distinctive products, activities, natural resources, Hawaiian culture and multi-cultures; in sum, the Hawaii experience.

Relating to the Hawaii experience and delivering on the Hawaii brand promise, HTA has the ability to manage, create and support the development of unique tourism experiences such as community and cultural festivals, sporting events, natural resources and community programs. The HTA also directly affects the visitor experience through its support of workforce development and visitor assistance initiatives, all the while integrating the community and residents considerations and respect for the Hawaiian host culture.

For further information call: (808) 973-2255, or visit: <http://www.hawaiitourismauthority.org/>

Natural Energy Laboratory of Hawaii Authority

The mission of NELHA is to participate in the development and diversification of the economy of Hawaii by providing resources and facilities for energy and ocean-related research, education, and commercial activities in an environmentally sound and culturally sensitive manner.

The Natural Energy Laboratory of Hawaii Authority (NELHA) promotes sustainable business development and supports economic diversification by providing resources and facilities for energy and ocean-related research, development, and commercialization. This is achieved through marketing, managing and operating facilities that support sustainable utilization of available natural resources such as cold deep seawater, warm surface seawater, and high solar potential.





Facilities are located at Keahole Point in Kailua-Kona and in Puna, both on the Island of Hawaii.

NELHA's 870 acre Hawaii Ocean Science and Technology Park (HOST Park) at Keahole Point serves as a premiere site worldwide, where large volumes of both warm surface and cold deep seawater are consistently pumped ashore for use in renewable energy, aquaculture, marine biotechnology, manufacturing of potable water, and other technologies. HOST Park serves as an outdoor laboratory for research and development; as an incubator facility for developing innovative, new technologies and businesses; and as a base for commercial operations that utilize, or are otherwise related to, the use of the seawater and other resources available.

Current strategies envision growing HOST Park as a world-class test bed for potential technology commercialization using its comparative advantage as being within several hours of a diverse mixture of climatic zones as well as access to pristine deep ocean seawater. Moving aggressively into targeted areas such as applied technology development, deployment and commercialization in the fields of renewable energy, containerized technologies, fuel cells and critical infrastructure, such as secure energy storage facilities, is part of the current game plan.

HOST Park continues to be recognized as a world-class site for research on Ocean Thermal Energy Conversion (OTEC). There is currently one OTEC demonstration facility at HOST Park and current initiatives include securing an additional full-scale demonstration facility producing up to 1 MW of gross power. Additional technology demonstration will allow for partnerships with other public and private entities.

Currently more than 40 separate businesses are thriving in the park and provide for almost 600 jobs and economic impact is approaching \$100 million annually. Of the 870 acres at HOST Park, approximately 250 are readily available for lease and commercialization.

For further information, call: (808) 329-7341, or visit: nelha.hawaii.gov/

High Technology Development Corporation

The High Technology Development Corporation (HTDC) works to facilitate the growth and development of the commercial high technology industry in Hawaii.

HTDC's functions include developing, managing, and assisting technology centers statewide; creating business opportunities for the growth of technology companies and industry; marketing and promoting Hawaii's technology assets; and providing support needed by Hawaii's technology industry.

HTDC assists in developing, managing, and operating technology centers statewide, including the Manoa Innovation Center, and the Maui Research & Technology Center. These sites serve as high technology company incubation facilities to ease the transition from start-up ventures to full-fledged,



independent commercial enterprises.

Despite the impact on the agency's operational funds, HTDC continues to operate at a high level, utilizing federally funded programs synergistically, leveraging partnerships with the private sector through strategic hiring, and engaging board members to assist.

HTDC activities feed each of the strategic layers of a developmental pyramid, starting with individual companies being served through incubation centers and programs; assisting and organizing sectors within the innovation industries; and having their voices and best practices filter up to affect the overall program.

At the programs and companies layer, HTDC's federally-funded Manufacturing Extension Partnership (MEP) program (rebranded as INNOVATE Hawaii Program), is expected to meet 100% of the performance metrics and quota set by the federal government.

Using the Hawaii Small Business and Innovation Research (SBIR) funding, MEP program operations have been restructured to focus on the commercialization phase of a company's product life cycle (where the economic impacts are realized as tax revenues and as high-paying jobs).

At the industry layer, HTDC worked with the Hawaii Strategic Development Corporation (HSDC) to support the Launch Akamai Venture Accelerator (LAVA) initiative. HTDC also created a software development group (WetWareWednesdays).

The Hawaii Center for Advanced Transportation Technologies (HCATT) continues to be recognized for its contributions to the Advanced Power Technology and Alternative Fuel test center at Joint Base Pearl Harbor-Hickam, resulting in an estimated double of future funding (from \$6M to \$12M), leveraging further federal dollars for the State to address the goals of the Hawaii Clean Energy Initiative.

For further information, call: (808) 539-3806, or visit: www.htdc.org/





Hawaii Strategic Development Corporation

HSDC is an agency of the State of Hawaii established in 1990 to promote technology based economic development and economic diversification in the state through return driven investment programs in partnership with private capital.

HSDC is precluded by law from investing in retail businesses, housing construction and the tourism sector. HSDC co-invests via a "fund of funds" approach and does not invest directly into companies. Investment programs target three key areas which comprise the major gaps in technology based economic development:

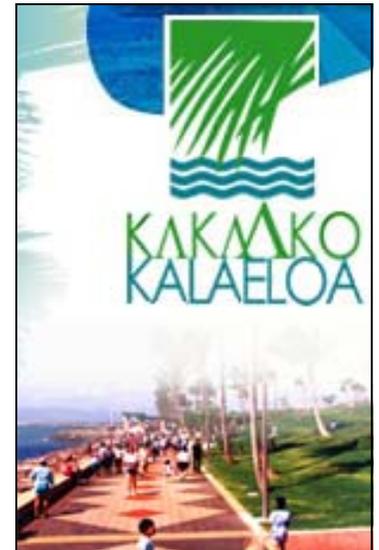
- 1) Supporting the establishment of an entrepreneurial ecosystem that will provide mentoring, collaboration and funding opportunities for Hawaii entrepreneurs to establish and grow their business ventures;
- 2) Partnering research commercialization activities with state and private-industry programs
- 3) Establishing high-growth businesses; and
- 4) Networking Hawaii's high-growth businesses into the broader universe of mainland and international investment funds active in the sectors important to Hawaii.

In 2013, HSDC's investment initiatives received national recognition:

The National Governors Association notes the HI Growth Initiative as an example of "Top Trends in State Economic Development".

- The UPSIDE Fund, an HSDC-sponsored investment fund at the University of Hawaii, is recognized by the National Academy of Sciences in its "Best Practices in State and Regional Innovation Initiatives" report as playing a key role in commercializing University of Hawaii research.
- CNN Money lists Hawaii as #8 on its list of the "10 most entrepreneurial states" based on the Kauffman Index of Entrepreneurial Activity, citing Blue Startups, an HSDC-sponsored venture accelerator, as an important catalyst for entrepreneurial activity in the state.

For further information, call: (808) 587-3830 or visit: hfdc.hawaii.gov.



Hawaii Community Development Authority

The Hawaii Community Development Authority oversees three community development districts on Oahu: Kakaako, Kalaeloa, and Heeia.

Five new housing developments in the Kakaako Community Development District are now under construction, with an additional seven already permitted by the Authority. A handful of other developments are also in the pipeline, creating the potential for over 5,300 new housing units in the Kakaako district alone. Over 48 percent of these new units will be made available to qualified income households, ensuring lower priced homes that working professionals and young families can afford. State analysts say 5,700 new housing units are needed in Hawaii each year, and the HCDA is doing its part to meet that demand.

The Kalaeloa Community Development District has been instrumental in helping the State of Hawaii move closer toward its Hawaii Clean Energy Initiative of achieving 70 percent clean energy by the year 2030. Two new five-megawatt solar power plants opened in 2013: the Kalaeloa Solar 2 Farm and the Kalaeloa Renewable Energy Park. Both facilities feed into the Hawaiian Electric Company (“HECO”) system and generate enough energy to power an estimated 2,500 homes. The HCDA is also conducting an Environmental Assessment and Archaeological Inventory Survey for the Kalaeloa East Energy Corridor project. That project is being funded by a 2012 Hawaii State Legislature appropriation of \$3.5 million.

The HCDA continues to work with the non-profit organization, Kakoo Oiwi, to restore the wetlands of Heeia. The goal is to return the land to its traditional agricultural usage and reestablish the taro fields that once dominated the area.

For further information, call: (808) 594-0300, or visit: dbedt.hawaii.gov/hcda/



Office of Planning (OP)

OP's mission is to guide the overall growth and development of the State through a statewide comprehensive planning framework.

OP prepares plans and planning studies and conducts policy analysis primarily on issues related to land, coastal, and ocean uses. OP administers the Planning Division, which includes the Special Plans Branch, Hawaii Coastal Zone Management (CZM) Program, Geographic Information System (GIS) Program, and the \$2 million Brownfield Cleanup Revolving Loan Fund (HBCRLF). The CZM Program guides and determines acceptable activities and uses of resources for Hawaii's valuable land and water resources in the State's coastal zone.

OP also administers the Land Use Division (LUD). LUD prepares the State's position on quasi-judicial proceedings before the State Land Use Commission (LUC). LUD coordinates with affected State agencies and the petitioner to assure that a petitioner's project proposal (1) is consistent with State regulatory requirements, and (2) commits to mitigation that addresses reasonably foreseeable impacts of a proposed project on State resources. The LUD ensures that the LUC's decision and orders include terms and conditions that protect the State's interest in the long-term, sustainable use of limited State resources, such as land, water, and State infrastructure facilities.

For further information, call: (808) 587-2846, or visit: planning.hawaii.gov/



Hawaii Housing Finance and Development Corporation

The mission of the Hawaii Housing Finance and Development Corporation (HHFDC) is to increase and preserve the supply of workforce and affordable housing statewide by providing leadership, tools, and resources to facilitate housing development. HHFDC currently has a production plan in place to deliver over 5,000 units over the next five years. As of June 30, 2010, HHFDC has assisted in the delivery of 3,289 affordable/workforce housing units.

To stimulate and expedite the development of workforce/affordable housing, including rental and ownership opportunities, HHFDC offers a variety of tools including financing, expedited land use approvals under Chapter 201H, and exemptions from general excise and real property taxes. The HHFDC also works to heighten awareness of housing needs for lower-income, moderate-income and gap-group households, particularly with those groups that can have an impact on the production of such housing including the Legislature and the Administration, federal, state, county and community officials, and the business community.

HHFDC enters into public-private partnerships to construct or preserve rental and for-sale housing. The provision of tools and resources such as financing, land, and assistance with land use and zoning approvals facilitate housing development and, thereby, stimulate the economy without reliance on general funds.

Since 2006, HHFDC single family programs helped 2,339 families purchase their first home. 1,076 of those families were helped during this administration.

State and County land use approvals under Chapter 201H were obtained for Kamakana Villages at Keahuolu, a 2300-unit master planned community located in Kailua-Kona on the Big Island, and Halekauwila Place, a 204 family rental unit high-rise in the urban core of Honolulu

\$43.5M in Hula Mae Single Family below market rate mortgages and \$12.5M in Mortgage Credit Certificate federal tax credits were made available to eligible first-time homebuyers.

For further information, call: (808) 587-0597, or visit: dbedt.hawaii.gov/hhfdc



Land Use Commission



Land Use Commission

The Land Use Commission (LUC) works with the State Legislature, County Planning Departments, interest groups and landowners to define constitutionally mandated standards and criteria for the classification of land, assisting in planned growth and protecting important agricultural lands in the State of Hawaii. The Commission also engages the county planning departments in enhancing and clarifying the special permit process in the Agricultural Land Use District.

The program objectives of the Land Use Commission are to process, review, and act on petitions for district boundary amendments which involve 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; developing, in conjunction with the counties and the state legislature, maps and boundary designations for all of the State's Important Agricultural lands; designating the same for protected status; process of private landowner petitions for designation of their lands as important agricultural lands; process motions and boundary interpretation requests; and maintain, update, and disseminate official State land use district maps and land use information.

The LUC operates by means of a nine-member voluntary Commission, assisted and supported by the Executive Officer, clerk, GIS specialist and two planners (five employees).

For the future, the LUC will seek ways to more quickly process land use boundary change petitions consistent with its legal mandate to determine the best uses of the land in the public interest through implementation of the State Land Use Law.

For further information, call: (808) 587-3822, or visit: luc.hawaii.gov.



Small Business Regulatory Review Board

The Small Business Regulatory Review Board's mission is to provide an opportunity for small businesses to comment on proposed state and country rules which could impact their operations. Based on those comments, the board may recommend to the state legislature or relevant state agencies that they amend overly burdensome regulations. The board also evaluates State agencies' responsiveness to small business concerns and reports these findings to the legislature.

For further information, please call (808) 586-2594 or go to: dbedt.hawaii.gov/sbrrb/

Office of Aerospace Development



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

For further information, please call (808) 586-2388 or go to: aerospacehawaii.info/

Pacific International Space Center for Exploration Systems



The Pacific International Space Center for Exploration Systems, or PISCES, is a Hawaii State Government Aerospace Agency located in beautiful Hilo, Hawaii. The Center is part of the State Department of Business, Economic Development, and Tourism (DBEDT) and conducts environmentally safe field demonstrations on Hawaii's volcanic terrain to test and validate advanced space technologies under the jurisdiction of the Hawaii State Department of Land and Natural Resources (DLNR).

For further information, please call (808) 935-8270 or go to: pisc.es.hawaii.gov



Department of Business, Economic Development & Tourism
Statement of Operating Appropriations, Expenditures, and Encumbrances
For the Period July 1, 2012 - June 30, 2013

<u>General Funds</u>	<u>Adjusted Appropriations</u>	<u>Restrictions</u>	<u>Expenditures & Encumbrances</u>	<u>Balance</u>
<u>BED 100 Business Development & Support</u> Business Development & Support Division	935,043	50,110	871,842	13,091
<u>BED 103 Statewide Land Use Management</u> Land Use Commission	477,300	-	448,105	29,195
<u>BED 105 Creative Industries</u> Creative Industries Division	979,345	52,484	912,609	14,252
<u>BED 128 Office of Aerospace</u> Office of Aerospace	157,847	8,459	147,874	1,514
<u>BED 130 Economic Planning & Research</u> Research and Economic Analysis Division	861,411	46,164	719,985	95,262
<u>BED 142 General Support for Econ. Development</u> Office of the Director & Admin. Services Office	1,596,754	85,470	1,457,339	53,945
<u>BED 143 High Technology Development Corp.</u> High Technology Development Corporation	1,038,016	55,628	979,024	3,364
<u>BED 144 Statewide Planning & Coordination</u> Office of Planning	<u>1,079,447</u>	<u>57,848</u>	<u>1,000,780</u>	<u>20,819</u>
Total General Funds	<u>7,125,163</u>	<u>356,163</u>	<u>6,537,558</u>	<u>231,442</u> (1)



Special & Revolving Funds	Adjusted Appropriations	Restrictions	Expenditures & Encumbrances	Balance	
BED 107 Foreign Trade					
Foreign Trade Zone Special Fund	2,066,296		1,463,536	602,760	
BED 113 Tourism					
Tourism Special Fund	87,071,017		68,152,180	18,918,837	
Convention Center Enterprise Special Fund	<u>54,007,974</u>	-	<u>42,741,266</u>	<u>11,266,708</u>	
BED 113 Total	141,078,991	-	110,893,446	30,185,545	
BED 120 Environmental & Energy Development					
Energy Security Special Fund	3,072,842		3,053,989	18,853	
Renewable Energy Facility Siting Special Fund	<u>750,000</u>	-	-	<u>750,000</u>	
BED 120 Total	3,822,842	-	3,053,989	768,853	
BED 143 High Technology Development Corp.					
High Technology Special Fund	3,736,896		607,342	3,129,554	
BED 145 Hawaii Strategic Development Corporation					
Hawaii Strategic Development Revolving Fund	4,289,920		588,500	3,701,420	
Hydrogen Investment Capital Special Fund	<u>2,608,516</u>	-	<u>153</u>	<u>2,608,363</u>	
BED 145 Total	6,898,436	-	588,653	6,309,783	
BED 146 Natural Energy Laboratory of HI Authority					
Natural Energy Laboratory of HI Authority Special Fun	7,676,224		4,855,678	2,820,546	
BED 150 Hawaii Community Development Authority					
HI Community Development Authority Revolving Func	693,909		621,513	72,396	(2)
Kalaeloa Community Dev. District Revolving Fund	<u>398,692</u>	-	<u>285,724</u>	<u>112,968</u>	(2)
BED 150 Total	<u>1,092,601</u>	-	<u>907,237</u>	<u>185,364</u>	
Total Special & Revolving Funds	<u>166,372,286</u>	-	<u>122,369,881</u>	<u>44,002,405</u>	(3)
Total Funds (4)	<u>173,497,449</u>	<u>356,163</u>	<u>128,907,439</u>	<u>44,233,847</u>	

Notes:

- (1) Represents the unrestricted general fund balances that lapsed at June 30.
- (2) Reflects the appropriated portion of the HCDA Revolving Funds.
- (3) Represents the special fund unexpended appropriation balance at June 30.
- (4) Statement does not include DBEDT's loan revolving funds, the High Technology Revolving Fund, the Brownfield Cleanup Revolving Fund, and the appropriations of the Hawaii Housing Finance & Development Corporation. Also excludes federal, trust, and capital improvement appropriations.



State of Hawaii
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