



2007 Annual Report

State of Hawaii ~ Department of Business, Economic Development & Tourism



“Catching the Global Economic Wave”

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Director's Welcome

Department of Business, Economic Development & Tourism



Aloha,

After several years of exceptionally strong growth, Hawaii's economy is expected to register a more moderate growth pattern in the near-term. Solid job growth, stable construction activity, especially in counter-cyclical government construction spending, and expected improvement in tourism will contribute to positive growth in the next several years.

In our latest economic forecast, we expect moderate growth in Hawaii's economy into 2009. Personal income, total wage and salary jobs, and state gross domestic product (GDP) are all forecast to increase, but the growth rates will be lower than those seen in the past three years.

With a 2.0 percent growth in the first ten months and solid prospect for continuing job growth for the rest of 2007, total wage and salary job is expected to increase 1.9 percent for the year. Job growth is expected to moderate to 1.5 percent in 2008 and to 1.3 percent in 2009.

With a 6.7 percent increase in the first half, nominal personal income is expected to increase 6.4 percent in 2007 and 5.7 percent in 2008. Inflation adjusted real personal income is expected to grow by 1.8 percent in 2008. Hawaii's real gross domestic product (GDP; formerly called gross state product, GSP) is projected to grow 2.9 percent in 2007 and 2.8 percent in 2008.

Honolulu's consumer price index (CPI) increased 5.0 percent in the first half of 2007, on top of 5.9 percent increase in all of 2006. This increase was primarily due to increases in the Housing and Food & Beverages components, which increased by 7.7 percent and 5.9 percent, respectively. In view of the recent months' stabilization in housing prices, Honolulu CPI is forecast to a more moderate increase of 4.5 percent for the year, followed by increases of 3.8 percent and 3.4 percent in 2008 and 2009, respectively.

In our latest forecast, we expect visitor arrivals to decline 0.8 percent and visitor expenditures to increase 2.0 percent in 2007 from 2006. Visitor arrivals and visitor expenditures are predicted to grow by 1.0 percent and 4.0 percent, respectively, in 2008, followed by slightly higher growth in later years.

With the ongoing \$2.3 billion Army military housing privatization initiative and the new housing construction and renovation program for the Navy & Marine Corps, federal investments in Hawaii remain strong. Combined with the expected increase in public infrastructure spending, such as the airports and harbors modernization plans, construction is expected to remain strong in the next several years.

Hawaii continues to record one of the lowest unemployment rates in the nation, averaging 2.5 percent for the first ten months of 2007.

Public sector revenues for the first ten months of 2007 increased by 4.0 percent, with the General Excise and Use Tax (GET) increasing by 6.6 percent, Net Individual Income Tax collections increasing 0.7 percent, and the Transient accommodations Tax (TAT) increasing by 4.3 percent.

Future outlook for Hawaii's economy will depend to a large extent on the performance of the U.S. national economy and Hawaii's major foreign markets, particularly Japan. In 2008, the Japanese economy is expected to grow 1.7 percent, also down from 2.2 percent growth in the January Consensus Forecasts. The strengthening of the Yen – U.S. dollar exchange rate would be favorable to our tourism sector.

Against this backdrop, DBEDT's forecast for 2008 is continued positive economic growth for Hawaii, albeit at a slower rate of growth as compared to the exceptionally strong growth rates of the past several years. DBEDT's forecasts can be viewed at <http://www.hawaii.gov/dbedt>.

DBEDT's vision for Hawaii is to achieve an economy that encourages and embraces innovation; is globally competitive and productive; and provides opportunities for all its' people to prosper. The details and implementation of this vision is described in the following pages of this 2007 Annual Report.

We look forward to working with all stakeholders in Hawaii's economic future on achieving this vision.

Mahalo and Aloha,



Theodore E. Liu

DBEDT's vision for Hawaii's economy is to rank in the top 15 states in the United States in terms of per capita GDP by the year 2010. Increasing the state's GDP and transitioning to a more innovation-driven economy will enable Hawaii's citizens to enjoy an increased standard of living, measured by, among other metrics, the number of jobs in our economy that pay more than \$50,000 a year.

In order to achieve this vision DBEDT's strategy is to address near term constraints and longer-term broad structural changes to Hawaii's economy.

The following six strategic thrusts guide the department's actions:

1. [Workforce Housing](#)

Create workforce housing units in high-quality living environments to support a skilled labor force in Hawaii.

2. [Workforce Development](#)

Develop, retain and attract a workforce with the skills required for an innovation-driven, globally competitive economy.

3. ["Energy for Tomorrow"](#)

Change how Hawaii consumes energy, by accelerating the production of renewable and alternative energy, increasing energy efficiency, developing and adopting new technologies, ensuring energy security and long-term environmental quality, and returning benefits to the consumer.

4. [Global Links](#)

Increase the flow of people, products, services, and ideas between Hawaii and its export markets.

5. [Creation of an Innovation Infrastructure](#)

Create the infrastructure that enables Hawaii's creative and entrepreneurial talent to turn ideas into products and services. In a globally interconnected economy, innovation will determine where a product or service is produced, where it is sold and who captures its value.

6. [Improving Hawaii's business environment](#)

Lead public sector efforts to bring about a business environment that is market-driven, and rewards productivity and entrepreneurship.



2007 was a busy year at DBEDT with the introduction of the **Hawaii Innovation Initiative**.

The Hawaii Innovation Initiative has become the centerpiece of the Lingle-Aiona Administration's second term and is one of the most significant long-term economic and human-capital development programs ever undertaken in the State.

The Initiative has the goal of transforming Hawaii's economy from one overly-dependent on land development to one driven by good ideas, entrepreneurship and innovation. We do so by building on Hawaii's principal asset: Its' people.

Innovation is the dynamic process whereby Hawaii creates, develops and applies new and better thinking, ideas and approaches to all sectors of the economy. It is the process of creating a better way of accomplishing tasks, and then turning it into products or services.

Innovation is the fundamental basis of sustainability and economic diversification. It will allow us to increase our standard of living while using fewer natural resources, including land.

Innovation applies both to existing and to new industries. It will lead to steady growth in productivity by applying technology or know-how in ways that lower costs in order to compete – or by growing revenues through the introduction of more valuable products and services.

The resulting "bottom-line" is more value for business owners and employees.

The Hawaii Innovation Initiative has five policy-area foci.

Innovation in Education

As innovation depends on human capital, we are investing in an ambitious focus on developing Science, Technology, Engineering and Math (STEM) skills in Hawaii's public school graduates through STEM academies that begin in elementary school and carry through to college. We propose financial incentives, including a STEM scholarship, to encourage more of Hawaii's young people to pursue high-value education and careers. New methods of teaching and delivering STEM education should be developed.

Innovation in the Economy

An innovation-driven economy requires links between Hawaii's research and development (R&D) institutions and its private sector in order to create and commercialize needed intellectual property. Investment in world-class R&D is the backbone of the innovation initiative. Infrastructure, from technology and creativity incubators to encouraging institutional investing in local start-ups, is also a focus. Entrepreneurship and "permission to innovate" should be nurtured, encouraged and celebrated.

Innovation in Workforce Development

To meet global competition and employers' needs, Hawaii's incumbent workforce should engage in life-long learning and skill-set building. Portable "Lifetime Learning Accounts" and "rapid response" training initiatives, among other policies, will create higher quality employment opportunities. Hawaii's workforce development and economic development policies should be aligned and federal funding streams should be directed at upgrading the entire workforce's skill-set.

Innovation in Links to the Global Economy

Given its mid-Pacific location, Hawaii should create links to innovation and creativity centers of the Pacific Rim (not only Silicon Valley, but Singapore, Tokyo, Taipei and Shanghai, as well) to increase the exchange of people, products and ideas. Every Hawaii student should have the opportunity to travel or study abroad.

Innovation in State Government

The State of Hawaii needs to lead innovation by example. All state permitting, to the extent allowed by law, should be on-line by 2010; administrative and back-office functions should transition to a digital network; wide-spread high-speed access should be afforded to all Hawaii residents; and the state's information technology needs should be centralized. The state needs to develop criteria to measure the effectiveness of all its innovation programs.

Key Accomplishments

Strategic Marketing & Support Division

The Strategic Marketing & Support Division (SMSD) promotes industry development and economic 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 work to increase exports of Hawaii products and services. Business support provides new and existing businesses direct loans, licensing and permit information and referral, business advocacy, planning and coordination of programs and projects aimed at specific business sectors or economically-distressed areas (including rural areas and areas affected by natural disaster); and to promote the statewide economic development of the film and video industry in Hawaii.

For further information, please call (808) 587-2784 or visit: [Strategic Marketing & Support Division](#)

SMSD Branch Directory:

Services Trade Branch

Phone: (808) 587-2750

Fax: (808) 586-2589

Investment & Business Analysis Branch

Phone: (808) 587-2783

Fax: (808) 587-2787

[Business and Community Assistance Branch](#)

Phone: (808) 586-2582

Fax: (808) 586-2589

SMSD's business and trade marketing program yielded significant results in fiscal 2007. These included:

- attracting a Japanese company to establish its U.S. headquarters and investing \$2 in developing its 10 acre koi farm operations in Mililani;
- a Japanese trading company to establish its U.S. branch office in Hawaii and investing \$1.5 million in the process;
- a Hawaii environmental firm securing \$1.25 in joint venture investment with a Chinese water treatment company who will put up land, factory facilities and working capital to manufacture the Hawaii firm's environmental product; and

- \$1 million in new product exports to Taiwan and Japan.

Organized visits for paid training and government delegations from Taiwan and China, realizing over \$700,000 in revenues. Training topics included tourism planning, policy marketing, business and entrepreneurship, and public administration.

Organized participation in 16 trade shows and trade missions promoting Hawaii's products, services and investment opportunities, assisting over 100 Hawaii firms enter or expand into overseas markets.



Research & Economic Analysis Division

Research & Economic Analysis Division

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 into the economy of the state. READ generates the basic data on Hawaii's visitor industry. READ also measures and analyzes emerging and growth industries in the state.

For further information: [Research & Economic Analysis Division](#)

READ Branch Directory:

Statistics & Data Support Branch

Phone: (808) 586-2481

Economic Research Branch

Phone: (808) 586-5830

Economic Information Staff

Phone: (808) 586-2475

Tourism Research Branch

Phone: (808) 586-2482

DBEDT Library

Phone: (808) 586-2424

Fax: (808) 587-2790

In addition to its responsibilities to collect, analyze and deliver economic and tourism data, the Research and Economic Analysis Division (READ) was tasked with two new responsibilities through the 2007 legislature.

In the first, DBEDT will be developing bench mark data and analysis for emerging and growth industries under Act 148. The statutory industries for analysis include but are not limited to; Ocean Science, Biotechnology and Life Science, Astronomy, Technology & Information Technology, film and Creative Media, Aquaculture, and Specialty Tourism. Reports will be developed on an ongoing basis.

The second task, also passed by the legislature, is the development of a data warehouse with on-line access for data users. This system will allow users to easily query READ's data base of information for the exact data that suits their need. The system will also feature preformatted reports on various topical subjects that will be automatically updated so that downloaded reports will always contain the latest data. The system is expected to be on-line before mid year, 2008.

Completed and published economic data and reports 100 percent on time as scheduled:

- The daily passenger count
- The weekly unemployment claims
- 12 issues of the Monthly Economic Indicators monthly
- 12 issues of monthly visitor statistics (monthly)
- 12 issues of Air-seat outlook (monthly)
- 4 issues of Quarterly Statistical and Economic Reports with DBEDT quarterly economic forecast (quarterly)
- The State Data Book (annually)
- Visitor Satisfaction and Activity Report (annually)
- Annual Visitor Research Report (annually)
- Visitor Plant Inventory Report (annually)
- Population and Economic Projections for the State of Hawaii to 2035 (In progress)
- The Hawaii Technology Sector: 2001 to 2005

Published or presented the following NEW reports (in addition to regular products):

- 4 issues of Visitor Satisfaction Monitoring Report (published quarterly)
- County Social, Business and Economic Trends in Hawaii: 1990-2005 (published)
- Hawaii's Immigrant Population: 2005 (published)
- Profiles of Leeward Coast (completed, presented)
- An Economic Analysis of the Hawaii Unemployment Insurance Program (published)
- The Creative Industry in Hawaii (published)
- Economic Diversification in Hawaii -- December 2007
- Pattern of Honolulu Consumer Spending: 1986 – 2005 (published)
- Profile of Hawaii-based Armed Forces (published)
- Federal Economic Activities in Hawaii (published)
- DBEDT Support for Emerging Growth Industries (forthcoming)

Foreign-Trade Zone No. 9

The Foreign-Trade Zone Division (FTZ) administers the federal grant issued to Hawaii in 1965 by the Foreign-Trade Zones Board in Washington D.C. FTZ's mission is to increase the amount of international trading activity in Hawaii, to encourage value-added activities, stimulate capital investment and generate employment opportunities by using the federal trade development program to reduce the costs associated with international trade. There are currently 14 sites on the islands of Oahu, Maui, and Hawaii that have received FTZ designation. Of the 14 sites, three general-purpose zones and four special-purpose subzones are active. The Foreign-Trade Zone Division is responsible for ensuring that U.S. Customs and Foreign-Trade Zones Board regulations are followed at these sites.

For further information, visit: [Foreign-Trade Zone Division](#)

FTZ Directory:

Development Branch

Phone: (808) 586-2507

Fax: (808) 586-2512

Business Office

Phone: (808) 586-2510

Fax: (808) 586-2513

Operations Branch

Phone: (808) 586-2515

Fax: (808) 586-2513

Increased revenue to achieve break-even status.

FTZ-9 increased revenues by almost 20 percent and held costs level to regain a break-even status. Several years ago, FTZ-9's revenues were reduced by approximately 30 percent when 10 acres of its Pier 1 site were released to assist in the establishment of the UH Medical School. A significant part of increasing revenues was a result of FTZ-9's efforts to "re-brand" its remaining 7 acres at the Pier 2 as a place "where international trade happens" and offer one-stop shop services for small businesses engaged in international commerce. Our initial efforts have been successful and the concept has quickly gained traction. By the end of 2006, we were at 100 percent occupancy, and tenants in our new wing include some of the larger players in our local maritime industry such as American Customs Brokerage, Waldron Norton Lilly Shipping, Inchcape Shipping and Daehan Shipping Agency.

Transferring ownership of FTZ-9 Pier 2 site from the Hawaii Community Development Authority to Foreign-Trade Zone Division.

Securing permanent land tenure is critical to the effectiveness of the FTZ program. Use of the site has been unintentionally hampered by the uncertainty over future land uses at Honolulu Harbor. FTZ-9 worked closely with other DBEDT attached agencies, DOT and the Legislature towards the passage of Act 165, SLH 2006. This act will allow FTZ-9 to adhere to the conditions of its grant of authority from the federal Foreign-Trade Zones Board requirement that we have “a level of control which allows the grantee to carry out its responsibilities as grantee” and increase revenues.

Obtained federal FTZ status for the Natural Energy Laboratory of Hawaii Authority’s 870 acre ocean science and technology park.

FTZ-9 worked closely with NELHA and county and federal agencies during the year-long application and approval process. Securing FTZ status for the NELHA site will assist the County of Hawaii in pursuing strategies to expand and diversify its economic base. NELHA is one of Hawaii’s most successful economic development projects, and NELHA’s tenants have had success in dramatically increasing Hawaii’s exports, primarily due to the growth of deep seawater bottling companies and aquaculture firms. Specifically, the new water bottling industry at NELHA may benefit considerably with reduced costs and other benefits that will ensure the viability of this new industry at NELHA and keep the site competitive with international competitors.



Creative Industries Division

The Creative Industries Division promotes the development and growth of Hawaii's Creative Economy, whose primary and core sector consists of Copyright Based Industries, with a focus on businesses that create/design exportable products and services and depend on the protection of their Intellectual Property in order to market to a global community. IP protection is a crucial base to profitability and survival. These are the core businesses that contribute to our economy with job creation and tax revenue.



This cluster is comprised of producers and service providers in film, video and digital media production, commercial and applied design firms and diverse range of creative (visual and performing) and cultural businesses in Hawaii. Surrounding this core sector are a great variety of arts and cultural organizations, service organizations, educational institutions, foundations, community groups and a variety of individual artisans.

For more information, call (808) 586-2590 or visit: [Creative Industries Division](#)

Creative Industries Branch Directory:

Arts and Culture Development Branch

Phone: (808) 587-2717

Fax: (808) 587-3388

Film Industry Branch

Phone: (808) 586-2570

Fax: (808) 586-2572

URL: [Hawaii Film Office](#)

Act 88 Tax Credit Increases Film Production in Hawaii Creative Industries
 Division-Hawaii Film Office (HFO) has attracted a record number of productions and increased revenues for the State with the creation and implementation of Act 88 and the 15-20 percent tax credit. Since the law went into effect July 1, 2006, some very noteworthy projects have taken advantage of it including: NBC's *Las Vegas* series, Touchstone's *Lost* television series, Disney's *Pirates of the Caribbean: At World's End*, Universal's *Forgetting Sarah Marshall*, Paramount's *Indiana Jones and the Kingdom of the Crystal Skull*, DreamWorks' *Tropic*

Thunder, and several national and international commercials. This was also a landmark first for the HFO, with major productions shooting simultaneously on all islands.

Streamlined Application Process – Act 88

Established online application process for the new 15-20 percent tax credit, including detailed overview and instructions, registration form, and final production report form. Worked closely with the Department of Taxation to issue a Tax Information Release with further details on the credit, and to establish policies regarding what specific kinds of productions and costs are eligible for the credit.

Created Educational and Workforce Development Program – Act 88

Established mandatory Educational and Workforce Development Contribution program under the new 15-20 percent tax credit. In order for productions to claim the credit, they must work with a local public or charter school, or labor union chapter to contribute financially or in-kind toward the furtherance of the film and arts industries in Hawaii with respect to workforce development.

Creative Industries in Hawaii Survey

In partnership with DBEDT's Research and Economic Analysis Division (READ), created a new resource to assist in tracking the growth in emerging creative industries in Hawaii. In 2005, creative industries represented by 28,884 jobs, reached earnings of \$1,110 million. The data gathered assisted in directing the structure of programs and is available online at DBEDT website.

MELE Program Support – Distance Learning Component

The Music Entertainment Learning Experience program was supported by the Governor and legislature in 2007 and began serving its first students in this past summer. DBEDT/CID was instrumental in underwriting the cost of the distance learning link from Nashville's Belmont University to Honolulu Community College.

“Live from the Lawn Grammy Nominees” Concert, webcast and television Broadcast

As part of its ongoing initiatives, CID/ACDB worked closely with the Friends of the Hawaii State Art Museum (HiSAM), the Hawaii State Foundation on Culture and the Arts (HSFCA) and private sponsors to organize and present “Live from the Lawn,” a series of cultural events on the First Fridays of each month. Every January, the annual “Live from the Lawn - Grammy Nominees Concert” honors those nominated for the Best Hawaiian Music Album of the Year. The free outdoor event draws 2,500 attendees, is televised on OC 16, KITV-4 and streamed live on Oceanic Time Warner's website, reaching millions of viewers as well as Grammy voters.

Georja Skinner, new Chief Officer & Administrator appointed Sept. 2007

A native of Hollywood, California and a Hawai'i resident for 27 years, Georja Skinner brings a wealth of experience to the Creative Industries Division. She founded Maui's first public relations firm, Skinner Communications in 1983 specializing in promotions, strategic planning and production for visitor industry clients. In 1994, Skinner was appointed as film industry development specialist to develop the infrastructure, assets and resources for Maui County's first film office.

Some of Skinner's recent accomplishments include arranging for the *"Tonight Show with Jay Leno"* to feature the Maui Writers Conference; creating the original Hawai'i-based radio series *"Living Aloha"* (Lime/Sirius Satellite Network/Kapalua Resort), and the recent integration and placement of the Big Island's Kona Deep® brand deep sea drinking water in Warner Bros. feature film *"Ocean's Thirteen."* An Emmy nominee, Skinner was also recognized as the first female sound mixer in primetime network television and the first woman to be nominated for an Emmy in that category. Her shows included *"All In the Family," "The Jefferson's," "One Day at A Time," "Fernwood 2 Night," "Sanford & Son,"* as well as numerous television specials.

Working with Academy Award and Emmy Award winning writer/producers, such as Aaron Sorkin, Michael Tolkin, and the team of Andy Schneider and Diane Frolov, Skinner has been instrumental in helping develop several series and feature film projects. Her work with Hawai'i's music industry, including Hoku Award winning artists, Hapa, Henry Ka'aihui Kaponu, Keali'i Reichel and Grammy Award winners Kenny Loggins and George Kahumoku, Jr. have resulted in a number of collaborative projects.

A published author, Skinner's first book, *"The Christmas House: How One Man's Dream Changed the Way We Celebrate Christmas"* (New World Library), was released in 2005 and was recently optioned by the Wolper Organization/Warner Bros., who will develop the project as a holiday movie for television.

Skinner was awarded the Na Mele O Maui Honoapi'ilani Award for her community service, earned an ITVA Television Production Award and was a founding member of the Hawai'i Film and Entertainment Board. She is currently a member of Producers Guild of America and Women In Film and has served as Maui Commissioner on the Hawai'i State Foundation on Culture and the Arts.

Strategic Industries Division

Strategic Industries Division's (SID) mission is to support statewide economic efficiency, productivity, development and diversification by promoting, attracting and facilitating the development of Hawaii Technology-based industries which engage in the sustainable development of Hawaii's energy, environmental, ocean, recyclable, and technological resources.

For further information, call: 587-3807 or visit: [Strategic Industries Division](#)

SID Branch Directory:

Energy Branch

Phone: (808) 587-3808

Fax: (808) 586-3820

Clean Hawaii Center

Phone: (808) 587-3802

Strategic Technology & Industry Development Branch

Phone: (808) 587-3801

Fax: (808) 587-3839

Ocean Resources Branch

Phone: (808) 587-2680

Fax: (808) 587-2777

Lead by Example:

DBEDT coordinated the efforts of other executive branch agencies to implement the Lead by Example (LBE) initiative. LBE reflects both administrative directives and legislative mandates to improve energy efficiency and expand the use of renewable energy in state facilities. Supported by training and technical assistance cosponsored by DBEDT, buildings being planned or built by the University of Hawaii, Dept. of Education, Hawaii State Hospital System, and Public Safety Department have already or are expected to meet Leadership in Energy and Environmental Design (LEED) standards. In 2007, the US Environmental Protection Agency announced the Hawaii's Energy Star buildings program ranked fifth in the nation, saving more money per building than California. Regarding renewables, eight public schools are expected to receive photovoltaic arrays this fiscal year, and other agencies are actively considering photovoltaic installations. The Legislature appropriated \$10.9 million to support energy programs this year, and DBEDT secured another \$1.6 million in federal grants to complement these efforts.

Homeland Security:

DBEDT has completed an update of the state's Energy Emergency Preparedness program and plan, an effort which began in 2004. DBEDT is also managing a statewide assessment of energy security and fuels vulnerability. In 2007, DBEDT received more than \$776,000 in federal SEP and other grant funding to cover its planning, policy, and hazard mitigation activities.

Science & Technology Industry Development:

In addition to organizing Hawaii pavilions at targeted industry sector trade shows to help local companies explore new markets, SID attracted and cosponsored two science & technology conferences to Hawaii: the Fourth EnergyOcean Conference and the Second Pacific Rim Summit on Industrial Biotechnology & Bioenergy. The 2007 Legislature established the Office of Aerospace Development. A Memorandum of Understanding was signed by the State of Hawaii and NASA Ames Research Center to facilitate enhanced collaboration. One result has been \$640,000 in research grants to the Pacific International Space Center for Exploration Systems (PISCES) to conduct development, testing and evaluation of new technologies in Hawaii to support future robotic and human missions to the Moon and Mars. SID supported the Administration's Innovation Initiative related to science, technology, engineering and math (STEM) education.

Biofuels:

Two efforts coordinated by DBEDT will help address the state's objective to have 20 percent of its transportation fuels from renewable resources by 2020.

One is a two-year, statewide biofuels production assessment which will examine potential feedstocks and technologies which could contribute to Hawaii's needs for ethanol, biodiesel and hydrogen. In addition, the legislature funded the creation of a Biofuels Master Plan which will address water and land resources, labor, permitting, financial incentives,

policy requirements, environmental concerns and other issues. Plans for the construction of an ethanol production facility have been announced for Kauai; biodiesel plants have been announced for Kauai, Maui, and Oahu; research on biofuels from algae and other biomass sources is on-going.

Natural Energy Laboratory of Hawai'i Authority (NELHA) Hawai'i Gateway Energy Center



- 2005 AIA Honolulu AIA Award of Excellence for Sustainable Design
- 2007 AIA National Committee on the Environment (COTE) Top Ten Green Projects
- Certified LEED Platinum in 2006 by U.S. Green Building Council
 - One of only 33 LEED Platinum buildings in the world

Hawaii Tourism Authority

The Hawaii Tourism Authority (HTA) is the lead tourism agency responsible for creating a vision and developing a long-range plan for tourism for the State of Hawaii. The HTA is composed of a thirteen-member board of directors to oversee the Tourism Special Fund, create a vision for tourism, and administer tourism development from a statewide perspective.

The HTA's tourism strategic plan, titled *Ke Kumu*, provides a framework for bringing together the common goals for the good of Hawaii and its people, and also serves to guide the HTA in fulfilling its leadership role as steward of Hawaii's tourism industry. Seven initiatives are identified to achieve HTA's overall goal of increased visitor expenditures - a combination of spending per day, length-of-stay, and visitor arrivals.

Tourism funds will be expended according to a plan with specific goals and measures of accountability that will help the agency achieve its mission - To manage the strategic growth of Hawaii's visitor industry in a manner consistent with the economic goals, cultural values, preservation of natural resources, and community interests of the people of Hawaii.

For further information call: (808) 973-2255, or visit: [Hawaii Tourism Authority](#)

Hawaiian Culture Initiative:

The HTA: 1) supported the Native Hawaiian Hospitality Association and the first-ever Native Hawaiian Tourism Conference. The purpose of this event was to discuss the impact of tourism on the Native Hawaiian community and identify strategies to address concerns of the Hawaiian community as they relate to Hawaii's visitor industry; 2) provided funding to 14 organizations through its Hawaiian Culture Program for projects that help to perpetuate the Hawaiian culture and strengthen the relationship between the visitor industry and the Hawaiian community; and 3) hired a staff member to implement the HTA's Hawaiian Culture program.

Workforce Development:

The HTA has embarked on a partnership with the University of Hawaii School of Travel Industry Management to develop a comprehensive tourism workforce plan that will include immediate steps to address workforce training needs and a roadmap for longer-term workforce demands.

Natural Resources Initiative: In addition to continuing partnerships with the State Department of Land and Natural Resources, community groups and other local government agencies, the HTA provided support to address natural resource projects on all islands, as well as support 22 community projects statewide.

Aloha Tower Development Corporation

Aloha Tower Development Corporation

The Aloha Tower Development Corporation (ATDC) was mandated to redevelop an area of land surrounding the Aloha Tower in order to strengthen the international economic base of the community in trade activities, to enhance the beautification of the waterfront in conjunction with the Department of Transportation, to better serve modern maritime uses and to provide for public access and use of the waterfront property.

For further information, call: (808) 586-2531, or visit: [Aloha Tower Development Corporation](#)

Pier 5 & 6 Development

The ATDC approved a development proposal in 2006 by developer UC URBAN to construct a mixed-use project at Piers 5 and 6 in the Aloha Tower Project Area, subject to successful negotiation of a development agreement and ground lease. The project is planned to include maritime, commercial/retail space, residential condominium units, hotel and hotel support facilities, a landscaped public waterfront pedestrian promenade and a docking area for the inter-island ferry. In 2007, the development documents and deal structure were completed although the compensation value to the State and resolution of parking issues remain outstanding. ATDC retained special legal counsel and a real estate appraiser/real estate consultant to assist in moving the project forward.

Public Advisory Group

The 16-member Public Advisory Group, formed to include volunteers, representing a wide range of experience and knowledge, continued to meet regularly in 2007 to provide comments on the Piers 5 and 6 Project.

Hawaii Harbors Project

The partnership between ATDC and the Department of Transportation - Harbors Division (DOT), known as the Hawaii Harbors Project (HHP), implemented various projects in Honolulu Harbor to acquire and quickly upgrade infrastructure for harbor expansion. The Legislature recognized the progress made by the task force, and in 2007, formally authorized the partnership between the DOT and ATDC through the adoption of Act 127, SLH 2007.

Governor Lingle signed ACT 127 into law on June 4, 2007.

Major accomplishments in 2007 included completion of the new Kapalama Container Terminal development plan, completion of construction at Piers 1,2, and 40 to provide cargo yard expansion and negotiation of agreements for relocation of various tenants to further new pier and terminal developments.

Hawaii Community Development Authority (Kakaako & Kalaeloa)

The Hawaii Community Development Authority (HCDA) works to stimulate the economic development of specific community districts by planning and implementing community development programs and facilitating capital investments. HCDA's main objectives are: 1) plan and implement capital improvement projects to upgrade infrastructure and develop public facilities to meet Hawaii's economic and recreational needs, and 2) implement long term planning initiatives to support residential development in a mixed-use community.

For further information, call: (808) 587-2870, or visit: [Hawaii Community Development Authority](#)

Guiding the future of Kalaeloa

Following the adoption of the Kalaeloa Master Plan in 2006, the Authority is promulgating administrative rules to implement the Plan and to establish a land use and zoning code for Kalaeloa. In 2007, the Authority approved \$250,000 in funding to design and construct life-safety improvement projects in the Kalaeloa District. These improvements will address safety conditions that need immediate attention. Since becoming open to the public, roadways, parks, beach areas, and other publicly accessible areas in Kalaeloa have fallen into disrepair resulting in vandalism, arson and motor vehicle accidents. The improvements are necessary to respond to the need for maintenance and public safety especially since use of the area is increasing. The Kalaeloa Public Safety (KPS) group--committed to improving and maintaining the health and public safety of Kalaeloa--has made significant strides in dealing with unsafe environmental and illegal conditions in the area's beaches and camping areas in 2007. A Kalaeloa Advisory Team (KAT) was also established to help ensure timely and accurate community input on the many issues that will arise.

Completion of the Ahui/Ohe/Olomehani Street Improvements:

Improvement District Project (ID-12) in the Kaka'ako Waterfront area was completed and is typical of past projects in the benefits and improvements that it now provides. HCDA improved the infrastructure in Ahui, Ohe and Olomehani Streets to enhance access and traffic circulation in the Kaka'ako Waterfront and to set the stage for waterfront development along the Kewalo Basin edge. The area's infrastructure is now greatly improved, as is the aesthetic appearance. The area has also become a much safer and more pedestrian friendly environment. As a result of this project, a new ½-acre passive park and 90 parking stalls were created adjacent to the Hawaii Children's Discovery Center, Kaka'ako Waterfront Park, and Makai Gateway Park.

Nearly 2,000 New Kaka‘ako Residential Units Completed or In the Works:

Under HCDA’s regulatory guidelines, a total of 1,984 residential units were completed, under construction, and permitted in 2007. These private sector projects represent millions of dollars in construction activity, validating HCDA’s approach of setting the stage for positive economic and social outcomes through long-range infrastructure planning and investment. Projects completed include: Moana Pacific (706 units); 909 Kapiolani Boulevard (225 units); and Keola La‘i (352 units, including 63 reserved units). Projects under construction in 2007 include: 720 Kapiolani Boulevard (NCR renovation of 35 loft units), Moana Vista (492 units and at least 124 reserved rental units), and Ward Village Shops (170 rental units).

Waterfront Advisory Group Formed

A diverse group of individuals, including residents, ocean recreation users, business owners, planners, architects and elected officials, interested in the future of the Kaka‘ako waterfront lands have organized as the Kaka ‘ako Makai Community Planning Advisory Council (CPAC). CPAC will be making recommendations to the Authority on plans for the future of Kaka‘ako Makai.



Hawaii Housing Finance & Development Corporation

The Hawai'i Housing Finance and Development Corporation (HHFDC) was created in 2006 and is administratively attached to the Department of Business, Economic Development, and Tourism (DBEDT) as part of the strategic objective to create workforce and affordable housing for a skilled labor force.

The HHFDC manages assets of approximately \$729 million, of which \$436 million is attributable to the issuance of tax-exempt bonds. To date, HHFDC has successfully facilitated the delivery of 566 affordable rentals and plans to deliver 6,227 workforce or affordable units over the next five years.

Facilitated the Preservation of 857 Affordable Rentals at Kukui Gardens

- HHFDC negotiated with Kukui Gardens Corporation and Carmel Partners to preserve 857 affordable rental units ensuring affordability until 2062.
- HHFDC Board approved the issuance of \$45 million in tax-exempt bonds to help with the acquisition.
- The State Legislature approved \$25 million in general obligation bonds to purchase a portion of the property.
- HHFDC facilitated the execution of the Purchase Agreement. Closing is set for December 18, 2007.

Produced 1,065 Affordable Units in the pipeline via Requests For Proposals (RFP) by the Development Branch and approved by the HHFDC Board. The Development Branch also obtains 201H land use approvals and exemptions as well as certifying General Excise (GET) exemptions.

\$1.61 Million in Financing Committed for the Development of 566 Rentals produced by the Financing Branch and approved by the HHFDC Board. Financing is primarily through tax exempt revenue bonds, the Rental Housing Trust Fund (RHTF) and the Dwelling Unit Revolving Fund (DURF).

Natural Energy Laboratory of Hawaii Authority

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. This is achieved through managing, operating, marketing and leasing that provide sites and resources for the development of research and commercial businesses and technologies that utilize the natural resources available such as cold deep seawater, warm surface seawater, and high solar energy. Facilities are located at Keahole Point in Kona and in Puna, both on the Island of Hawaii.

NELHA at Keahole Point is the only location in the world, which consistently pumps large quantities of warm and cold seawater ashore for use in aquaculture, marine biotechnology, and other related technologies. NELHA serves as the 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 related to the use of the cold and warm seawater and other resources available.

For further information, call: (808) 329-7341, or visit: [Natural Energy Laboratory of Hawaii Authority](#)

Significant Financial Improvement

Reduced annual operating loss by 85 percent to \$46,000 compared to \$291,000 in 2005.

Fair Market Land Lease Rates

For the first time in NELHA's history, land lease rates were raised to reflect fair market conditions – to \$3000/acre-month for extractive use and \$500/acre-month for agricultural uses. This compares to prior average rates of about \$200/acre month.

Deep Seawater Production

NELHA began production of 1,250-year old 3,000-foot deep seawater, with its organic compounds estimated to be 4,000 to 6,000 years old. This marked the completion of a 10-year, \$19.9 million project originally begun to develop the OTEC technology as a demonstration project. The water is used by all the water bottling companies and two farm tenants.

High Technology Development Corporation

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; create business opportunities for the growth of technology companies and industry; market and promote Hawaii's technology assets; and provide support needed by Hawaii's technology industry.

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

For further information, call: (808) 539-3806, or visit: [High Technology Development Corporation](#)

Incubation Programs

HTDC accommodated 16 new clients through its Tech Center Incubation tenancy and Virtual programs in 2007. New programs were launched, such as the Executive Power Lunch, which enhanced and facilitated the incubation process at Manoa Innovation Center (MIC). This lunchtime gathering was created to bring company decision-makers together in an environment where they could discuss issues and learn from each other. In addition, HTDC branched out to support the first Science, Technology, Engineering and Math (STEM) middle school pilot program in Hawaii. Developed by the Kihei Charter School (KCS), the program currently resides at the Maui Research and Technology Center (MRTC) in Kihei, Maui, alongside local start-up businesses and tech sector stakeholders. HTDC, along with other clients and organizations, have been partnering with KCS to ensure its success in providing focused STEM skills to better prepare our next generation.

Video teleconferencing (VTC) facilities were installed at all incubation sites at MIC, MRTC, and the Hawaii Innovation Center at Hilo (HICH) through a federal EDA grant to better deploy HTDC programs to neighbor island constituents as well for community use. The facilities are currently in operation at MIC and MRTC.

Tenancy Information for Calendar 2007

MIC

75.3 percent success

114 incubation companies have been serviced at MIC (graduates, failures and present companies)

- 1 tenant graduation of success
- New tenants (6) initially occupying 2,480 sq. ft.
- Expansion for (4) existing tenants: 3,679 sq. ft.
- Downsizing of (2) existing tenants: 1,253 sq. ft.

MRTC

55.8 percent success

75 incubation companies have been serviced at MRTC (graduates, failures and present companies)

- 1 tenant graduation of success
- New incubation tenants (2) + (1) non-profit (KCS) = taking up 4,526 sq. ft.
- Expansion of (1) existing tenant: 394 sq. ft.

HICH

Success percent N/A (no graduation to-date)

- 1 termination
- (1) new tenant
- No graduations

Virtual Program

87 percent success

- 8 new virtuals
- 1 terminated service
- 1 became a tenant in the Tech Center Incubation Program

Statewide Hawaii Small Business Innovation Research (SBIR) Conference

Ten federal SBIR program managers spoke to and/or met with 190 attendees on four islands during this year's Hawaii SBIR conference in November about the R&D funding opportunities available to them. This invaluable "face time" allowed Hawaii companies a rare chance to develop an effective rapport with the federal managers and to better understand how the SBIR program could assist innovative companies to grow and prosper.

New Federal Grants

Through the HTDC, the Hawaii SBIR Matching Grant program awarded \$399,000 to 17 local companies that won 29 federal SBIR Phase I awards worth \$5.3 million and four Phase II awards worth \$2.1 million. For every State dollar invested in the program since 1989, Hawaii companies attracted over \$15 in federal SBIR funds and over \$28 for every taxpayer dollar invested when Phase III dollars are included.

Hydrogen Production

HTDC's Hawaii Center for Advanced Transportation Technologies (HCATT) developed and installed a deployable, modular hydrogen production and fueling station at Hickam Air Force Base to support the operation of present and future fuel cell vehicles. This fueling station was the first of its kind in the Department of Defense and the first hydrogen fueling station in Hawaii. In keeping with the pursuit of renewable energy and energy independence, HCATT will add a solar array to the station this coming year to produce renewable hydrogen.

Tech-Based Economic Development (TBED)

The Statewide Incubation and Innovation Network is a successful means for assisting start-up technology-based companies. Network programs are located in each county on all four major islands. However, Hawaii's tech industry is diverse, and current assistance programs are operating at full capacity. Increased collaboration with existing TBED entities in public and private sectors has eased some of the load. In the near future, the sharing or pooling of resources will be critical to all industry stakeholders. Such an arrangement would include not only programs, but also sharing of facilities and expertise. As an example, Act 150, Hawaii Session Laws of Hawaii 2007, provides for public-private partnership to support the development of the State of Hawaii's first commercial biotech office and wet laboratory complex adjacent to the University of Hawaii's John A. Burns School of Medicine and Cancer Research Center of Hawaii. Similar partnerships or alliances could facilitate opportunities for other tech sectors such as the "dual-use" sector, which traditionally develops commercial products from federal grants and contracts.

Research and Development Opportunities

There are many roads to founding an innovation-based economy, but every road starts with research and development (R&D). Ties to university systems and leveraging federal programs play a critical role in addressing the pipeline to innovation and to commercialization of that innovation. To that end, HTDC has strategized to assist Hawaii companies to position themselves for further funding and commercialization opportunities. We have started this process by using our currently successful programs, such as the HTDC-Manufacturing Extension Partnership (MEP), SBIR and HCATT programs, as a template to go after more federal funds for our companies. We will realign our activities to collaborate more closely with the university systems and other levels of education institutions to help establish a pipeline for workforce development through upgrading our programs, such as the Holiday Science & Tech Fair.

Small Business Assistance

The HTDC-MEP program utilizes federal funds to assist innovation-based companies in various stages of their business development. The services enable the typical company's staff to focus on strengthening their core technical competencies and strategic relationships while working in parallel with HTDC-

MEP to assist in other areas of their business model. This enables the company to accelerate the time to market products and the higher likelihood of success when the products reach the market.

HTDC-MEP has had the privilege of working with many high tech companies commercializing technology in Hawaii. A promising company, Kuehnle AgroSystems is engaged in commercializing highly productive algae strains capable of producing high value oils and proteins that would reduce the economy's dependence on fossil fuels and food crops for fuel, as well as sequester greenhouse gases. HTDC-MEP assisted the company in commercializing its research work by providing consulting in financial modeling, industry analysis, strategy development, operational planning and venture capital fundraising preparation.



Office of Planning

The Office of Planning works to maintain an overall framework to guide the development of the State through a continuous process of comprehensive, long-range, and strategic planning to meet the physical, economic, and social needs of Hawaii's people, and provide for the wise use of Hawaii's resources in a coordinated, efficient, and economical manner - including the conservation of natural, environmental, recreational, scenic, historic, and other limited and irreplaceable resources which are required for future generations.

The Office of Planning's 3 main objectives are: 1) fix responsibility and accountability to successfully carry out statewide programs, policies and priorities; 2) improve the efficiency and effectiveness of the operations of the executive branch; and 3) Ensure comprehensive planning and coordination to enhance the quality of life of the people of Hawaii.

For further information, call: (808) 587-2846, or visit: [Office of Planning](#)

Providing Policy Leadership and Technical Assistance on Land Use

OP has worked to protect important agricultural lands by encouraging greater utilization of the Rural District in its role in representing the State's position before the Land Use Commission. OP supported agricultural business development efforts by providing planning and technical assistance to the HARC Kunia Agribusiness Center. OP encouraged the re-development of contaminated lands through three brownfield site assessments.

Providing Information and Analysis for Policy Makers:

OP is producing a variety of data, analysis and publications intended to provide policy makers with information on key planning issues and areas of critical State concern to assist their decision-making. OP worked with a number of State agencies on the **Leeward Coast Initiative (LCI)**. Community outreach was conducted during March through May 2007 utilizing participating staff from nine agencies, the University of Hawaii and the Office of Hawaiian Affairs. The outreach group completed interviews with approximately 167 community leaders and reviewed prior community plans. The outreach team working collaboratively with other agencies crafted 32 "**Great Idea**" proposals intended as potential actions around which the State might collaborate with the community and private sector to implement. The draft report, ***Draft Leeward Coast Initiative Inventory Report: Overview of Conditions and State Services and Programs*** was prepared.

Ocean Resources Management Plan and Coastal Hazards

The update of the Ocean Resources Management Plan (ORMP) was completed and the focus shifted to implementing the plan. A director level Policy Group and agency level Working Group were formed. The Working Group has been

meeting regularly and will recommend priority management goals and strategic actions in the ORMP for the next two years, and then develop agency work plans and budget and legislative proposals to ensure those goals and actions are implemented.

One of the priorities of the ORMP is coastal hazard mitigation. OP's CZM Program is working in partnership with the public and private sectors to ensure statewide adoption of the latest building codes. These codes will reduce the impacts from hurricanes and other natural hazards, building a more resilient Hawaii. This year, OP completed wind speed maps and building code amendments covering the County of Hawaii. In concert with this effort, the CZM Program, in partnership with the City and County of Honolulu Building Division and local design professional associations, held training for over 860 government and industry professionals in the 2003 International Building Code and International Residential Code. This training is essential to the development of a highly qualified public/private building industry.

Hawaii Strategic Development Corporation

The Hawaii Strategic Development Corporation's (HSDC) mission is to develop a sustainable venture capital industry in Hawaii which will stimulate the growth of viable new businesses. HSDC works to diversify the state's economy by commercializing emerging technologies and providing skilled employment opportunities for citizenry.

Near-term objectives are to develop venture capital investment funds in Hawaii which will attract external sources of private investment; to establish a fund of funds to raise capital for Hawaii venture funds, to expand the business infrastructure supporting the venture industry and the growth of emerging companies; and to assist entrepreneurial development through focused conferences and seminars.

For further information, call: (808) 587-3829, or visit: [Hawaii Strategic Development Corporation](#)

Digital media: HSDC has advised companies seeking financing for their digital media storage and sharing businesses. Working with these companies, HSDC has advised entrepreneurs how to restructure their business plans and investment “pitches” to position them to better attract venture capital.

Entrepreneurial development: HSDC has initiated the development of a collaborative network of organizations involved in entrepreneurial assistance. Often emerging company CEO's do not know where to turn for assistance and are confused by the “alphabet soup” of service providers. This collaborative network is developing a map of organizations to guide entrepreneurs on how to find business planning assistance, product development expertise, equity financing, etc.

Accelerate university technology transfer: HSDC has been working closely with the UH Office of Technology Transfer and Economic Development and non-profit economic development agencies to assist companies licensing UH technologies. Assistance is provided to these companies in the areas of business planning, marketing, and introductions to potential investors.

New venture capital sources: HSDC continues to develop local and national networks to link entrepreneurs and venture capital firms. Through its introductions, co-investment opportunities are being developed between investment groups based on both sides of the Pacific to consider Hawaii investments. HSDC has also leveraged its public investment capital with private investors through a new commitment to a fund specializing in early stage companies.

Promote alternative energy development: HSDC is working with DBEDT to implement the \$10 million Hydrogen Investment Capital Special Fund which will identify new sources of energy production which can support hydrogen development on the big island. HSDC is also working with biofuel companies and assisting in linking them to investment sources in Hawaii and in Silicon Valley.

Land Use Commission

The Land Use Commission works with the State Legislature, County Planning Departments, interest groups and landowners to define constitutionally mandated standards and criteria for 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 Land Use Commission is also working to establishing data warehouses with the county planning departments with respect to storage and retrieval of land use data; and developing cooperative memorandum-of-understanding with the University of Hawaii Department of Urban and Regional Planning with respect to planning practicum and faculty consultation.

For further information, call: (808) 587-3822, or visit: [Land Use Commission](#)

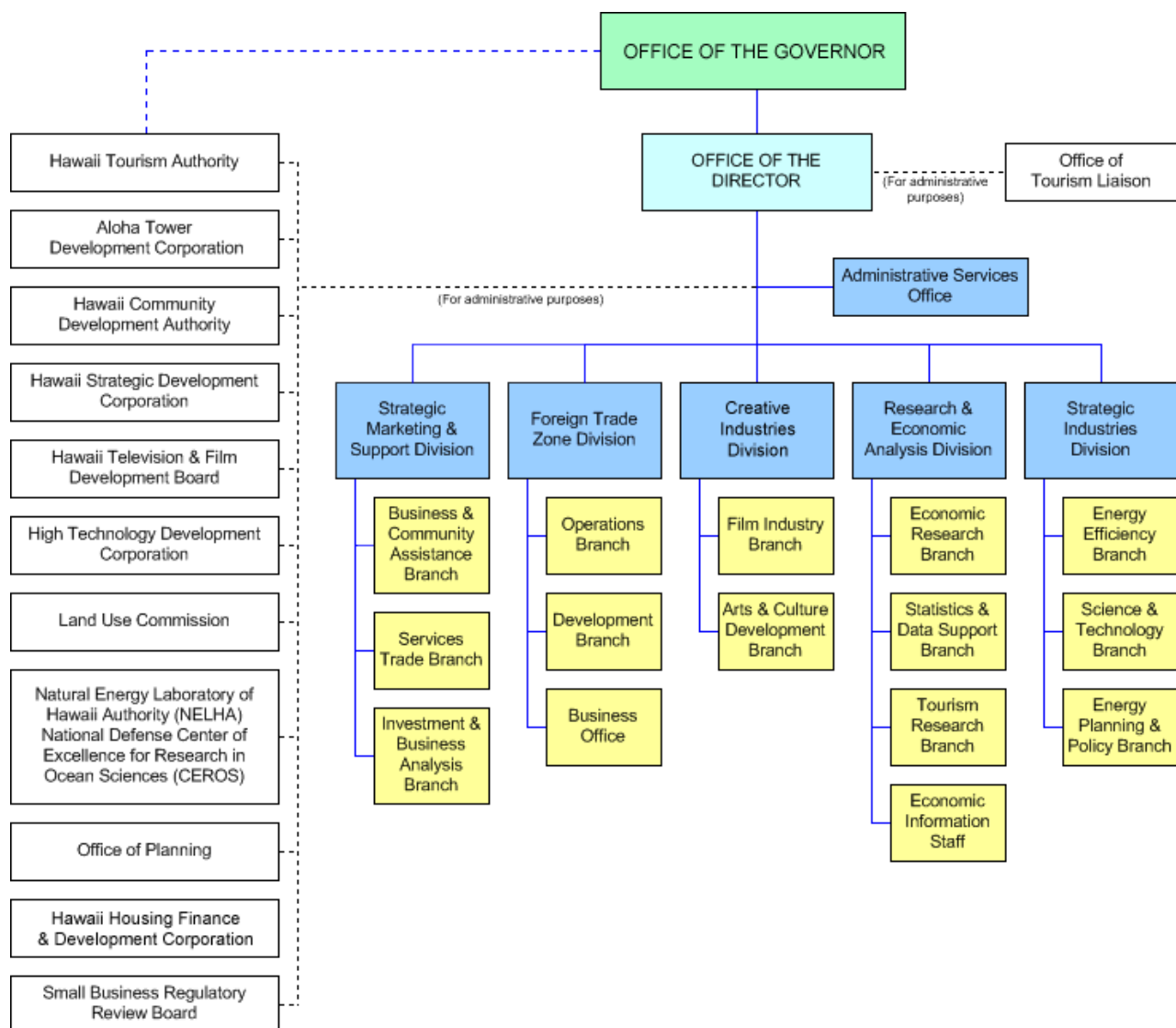
Department of Business, Economic Development & Tourism
Statement of Operating Appropriations, Restrictions, and Expenditures
For the Period July 1, 2006 - June 30, 2007

	<u>Adjusted</u> <u>Appropriations</u>	<u>Expenditures,</u> <u>Encumbrances</u> <u>& Transfers</u>	<u>Balance</u>	
<u>General Funds</u>				
<u>BED 100 Strategic Marketing & Support</u>				
Strategic Marketing and Support Division	2,022,568	2,015,856	6,712	
<u>BED 103 Statewide Land Use Management</u>				
Land Use Commission	486,705	477,179	9,526	
<u>BED 105 Creative Industries</u>				
Creative Industries Division	1,471,389	1,425,968	45,421	
<u>BED 120 Strategic Industries</u>				
Strategic Industries Division	1,396,028	1,389,202	6,826	
<u>BED 130 Economic Planning & Research</u>				
Research and Economic Analysis Division	952,356	952,022	334	
<u>BED 142 General Support for Econ. Development</u>				
Office of the Director & Admin. Services Office	2,707,110	2,701,013	6,097	
<u>BED 143 High Technology Development Corp.</u>				
High Technology Development Corporation	949,238	940,485	8,753	
<u>BED 144 Statewide Planning & Coordination</u>				
Office of Planning	1,669,030	1,660,944	8,086	
<u>BED 146 Natural Energy Laboratory of HI Authority</u>				
Natural Energy Laboratory of HI Authority	250,000	250,000	-	
<u>BED 150 Hawaii Community Development Authority</u>				
Hawaii Community Development Authority	<u>295,530</u>	<u>294,600</u>	<u>930</u>	
Total General Funds	<u>12,199,954</u>	<u>12,107,269</u>	<u>92,685</u>	(1)

	<u>Adjusted Appropriations</u>	<u>Expenditures, Encumbrances & Transfers</u>	<u>Balance</u>	
Special & Revolving Funds				
<u>BED 107 Foreign Trade</u>				
Foreign Trade Zone Special Fund	2,001,010	1,966,571	34,439	
<u>BED 113 Tourism</u>				
Tourism Special Fund	72,390,897	70,360,706	2,030,191	
Convention Center Enterprise Special Fund	<u>50,007,530</u>	<u>50,007,530</u>	<u>-</u>	
BED 113 Total	122,398,427	120,368,236	2,030,191	
<u>BED 130 Economic Plng. & Research for Econ. Dev.</u>				
Tourism Research Fund (Transfer from Tourism Spec Fund)	1,588,187	1,576,400	11,787	
<u>BED 143 High Technology Development Corp.</u>				
High Technology Special Fund	3,874,109	1,072,629	2,801,480	
<u>BED 145 Hawaii Strategic Development Corporation</u>				
Hawaii Strategic Development Revolving Fund	4,270,631	263,863	4,006,768	
Hydrogen Investment Capital Special Fund	<u>10,000,000</u>	<u>56,250</u>	<u>9,943,750</u>	
BED 145 Total	14,270,631	320,113	13,950,518	
<u>BED 146 Natural Energy Laboratory of HI Authority</u>				
Natural Energy Laboratory of HI Authority Special Fund	5,162,678	3,376,697	1,785,981	
<u>BED 150 Hawaii Community Development Authority</u>				
HI Comm. Dev. Authority Assessment Reserve Fund	2,500,000	-	2,500,000	
HI Community Development Authority Revolving Fund	450,000	378,058	71,942	
Kalaeloa Community Dev. District Revolving Fund	<u>83,860</u>	<u>24,281</u>	<u>59,579</u>	
BED 150 Total	3,033,860	402,339	2,631,521	
<u>BED 151 Aloha Tower Development Corp.</u>				
Aloha Tower Special Fund	<u>1,526,180</u>	<u>977,222</u>	<u>548,958</u>	
Total Special & Revolving Funds	<u>153,855,082</u>	<u>130,060,207</u>	<u>23,794,875</u>	(2)
Total Funds (3)	<u>166,055,036</u>	<u>142,167,476</u>	<u>23,887,560</u>	

Notes:

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



www.hawaii.gov/dbedt

