

DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

Department Summary

Mission Statement

The Department's vision for Hawaii's economy is a globally competitive, dynamic, and productive economy providing opportunities for Hawaii's citizens to prosper.

Department Goals

Lead efforts to understand and facilitate structural economic adjustments to improve the business environment and create conditions that reward productivity and entrepreneurship.

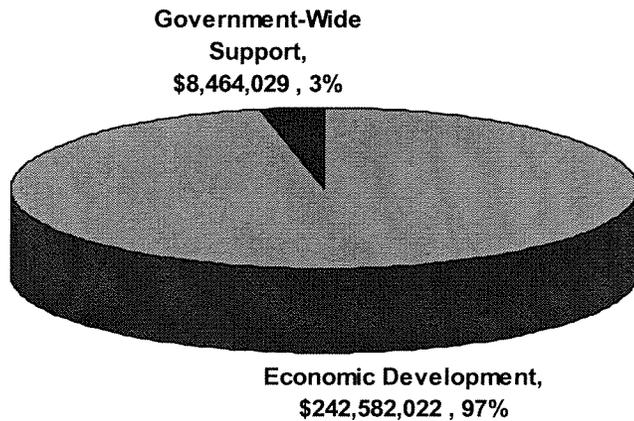
Significant Measures of Effectiveness

1. Annual percentage increase in Gross State Product
2. Number of new jobs created per annum
3. Investment generated by business development and promotional activities (\$M)

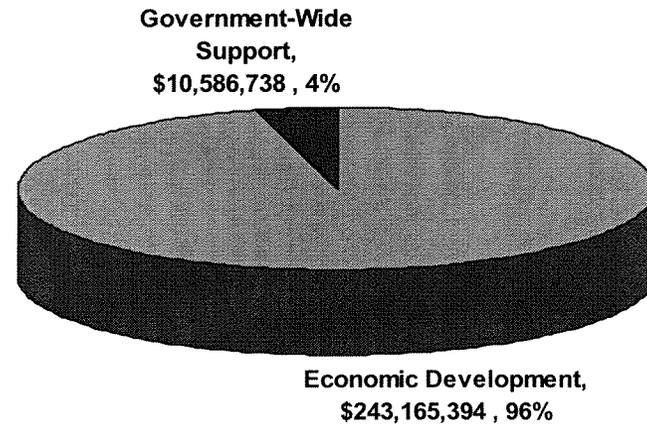
<u>FY 2008</u>	<u>FY 2009</u>
5	5
6,272	5,668
13	13

FB 2007-09 Operating Budget by Major Program Area

FY 2008



FY 2009



DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM

MAJOR FUNCTIONS

- **Workforce Housing** – Create workforce or “gap” housing units, in high-quality living environments, to support a skilled labor force in Hawaii, by working with the private sector to facilitate development through providing state lands, expediting approval and permitting processes, providing incentives and financing tools, and advocating supportive policy changes.
- **Workforce Development** – Develop, retain and attract a workforce with the skill-sets required for an innovation-driven and globally-competitive economy, by bringing together stakeholders in business, education and labor to build a 21st Century workforce system.
- **“Energy for Tomorrow”** – Fundamentally change how Hawaii consumes energy, by accelerating the production of renewable and alternative energy, increasing energy efficiency, developing and adopting new technologies and ensuring energy security.
- **Export of Goods and Services** – Increase the flow of people, products, services, and ideas between Hawaii and its export markets. Focus on 'pull' and 'push' factors that attract creative people to Hawaii and reinforce Hawaii's links with innovation centers in the Asia Pacific region.
- **Innovation Infrastructure** – Create the infrastructure that enables Hawaii’s creative and entrepreneurial talent to turn ideas into products and services, by providing business incubation facilities and expertise, assistance in securing funding and providing support and incentives to build innovative globally competitive businesses.
- **Improve Hawaii business environment** – Lead public sector efforts to bring about a business environment that is market-driven, productive and entrepreneurial, by reducing regulations and barriers to doing business in Hawaii and providing support to targeted growth sectors.

MAJOR PROGRAM AREAS

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

Economic Development

BED 100	Strategic Marketing and Support
BED 105	Creative Industries
BED 107	Foreign Trade Zone
BED 113	Tourism
BED 120	Strategic Industries
BED 142	General Support for Economic Development
BED 143	High Technology Development Corporation
BED 145	Hawaii Strategic Development Corporation

BED 146	Natural Energy Laboratory of Hawaii Authority
BED 150	Hawaii Community Development Authority
BED 151	Aloha Tower Development Corporation
BED 160	Hawaii Housing Finance and Development Corporation

Government-Wide Support

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

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

		Allocation		
		FY 2007	FY 2008	FY 2009
Funding Sources:	Positions	118.50	122.50	122.50
General Funds	\$	13,224,954	37,396,609	37,352,376
		26.50	22.50	22.50
Special Funds		137,462,404	154,507,797	157,381,522
		4.00	4.00	4.00
Federal Funds		19,761,860	20,428,521	20,303,525
Trust Funds		22,000,000	22,000,000	22,000,000
			4.00	4.00
Interdepartmental Transfers		3,149,956	1,590,030	1,590,030
		30.00	31.00	31.00
Revolving Funds		14,894,038	15,123,544	15,124,679
		179.00	184.00	184.00
Total Requirements		210,493,212	251,046,501	253,752,132

Highlights of the Executive Budget Request: (general funds unless noted)

1. Add \$25,000,000 in each year of FB 07-09 for the Rental Housing Trust Fund, for affordable rental housing.
2. Add \$130,000 in each year of FB 07-09 to continue 2.0 temporary positions to implement energy efficiency goals to reduce electricity and fuel consumption.

Department of Business, Economic Development and Tourism
(Capital Improvements Budget)

	FY 2008	FY 2009
Funding Sources:		
General Obligation Bonds	12,397,000	1,747,000
Reimbursable G.O. Bonds	4,530,000	1,000,000
Total Requirements	16,927,000	2,747,000

Highlights of the Executive CIP Budget Request: (general obligation bonds unless noted)

1. Add \$1,800,000 in FY 08 for drainage improvements to Kakaako, Makai Area.

2. Add \$1,100,000 in FY 08 for safety improvements to Kalaeloa.

3. Add \$5,250,000 in FY 08 to add higher capacity pumps and distribution pipelines to existing seawater system at Natural Energy Laboratory of Hawaii Authority to meet forecasted tenant demands for seawater.

4. Add \$4,530,000 in FY 08 and \$1,000,000 in FY 09 in general obligation reimbursable bond funds to replace Piers B, C, and Herringbone at Kewalo Basin.

5. Add \$2,500,000 in FY 08 for Waiahole Valley Potable Water System Replacement.