

OFFICE OF ECONOMIC DEVELOPMENT

ANNUAL REPORT FOR FISCAL YEAR 2012-2013

I. MISSION STATEMENT

The Office of Economic Development (OED) works in partnership with the community to create economic opportunities towards the development of a healthy, stable and balanced economy of the County of Kaua`i.

II. DEPARTMENT GOALS

The Office of Economic Development strives to support current businesses and diversify Kaua'i's economy by providing opportunities for development of new businesses.

OED's goals will be achieved with collaboration of business, government and community sectors.

III. PROGRAM DESCRIPTION

OED, as a government entity, interfaces with business and community leaders, as well as other government agencies and programs, to enhance Kaua`i's economic development opportunities. OED is responsible for providing technical and financial support, as feasible, to businesses of all sizes and emerging industries, in an effort to provide full employment for all of Kaua`i's residents.

OED is also responsible for collecting data and maintaining statistical information and reports, to be used as a library resource for individuals, businesses and organizations. The general public is provided access to materials documents and publications in the OED library, and to some extent on the County's website. In addition, publications on Federal and State grants, loans or tax incentives are also available.

To carry out the functions of OED, six sections are managed by staff specialists, under the supervision of a director, in the areas of sustainability, agriculture, tourism, film, energy, workforce development, and through special grants to specific economic development projects. Each section's duties and responsibilities are directed toward accomplishment of the agency's overall mission.

One secretary, economic specialist, accountant and part-time clerk provides support to the director and the six specialists.

ADMINISTRATION

A. Objectives

The Administrative function of OED is carried out primarily by the Director, supported by the Secretary. The Director oversees the department and directly supervises nine staff members. In addition to supporting the Director, the Secretary works with the Economic Development specialist to support the six staff specialists to varying degrees.

B. Highlights

- With the approval of the County Council, OED provided a grant to the Kaua`i Economic Development Board (KEDB) to hire one FTE staff member to oversee implementation efforts for the Kaua`i Economic Development Plan – Comprehensive Economic Development Strategy (CEDS). KEDB’s strategic plan calls for that organization to focus on the High Tech, Food & Agriculture and Renewable Energy industry clusters. OED worked closely with KEDB staff to coordinate efforts and maximize implementation efforts between the two agencies. The KEDB staff member has been actively coordinating activities of the committees assigned to these industry clusters.
- *CEDS is a document required by the Economic Development Administration for a community to access grant funding for eligible projects.*
- OED continues to support the Aloha Ike program – managed by the KEDB. This program, a spin-off of an earlier Team Tech program, supports project based learning in all schools on Kaua`i by providing grants to teachers. Teachers must find a community partner and tailor their project to support learning in one of the six industry clusters identified in the CEDS. More than \$700,000 has been raised in the first three years of the program, with dozens of projects ongoing at public and private schools across Kaua`i.
- Continued coordination of the Kaua`i Made program, which supports local product makers and the retailers who sell the products. After 8 years in existence, the program boasts more than 140+ member companies and has documented more than 100 new connections between the product makers in the program and the retailers who are now carrying more of their products. In September 2008, the first Kaua`i Made Wholesale Tradeshaw was held, with twenty two vendors participating and more than 80 wholesale buyers from Kaua`i and throughout the state attending. The event was such a success that the 5th annual tradeshow will take place in October 2013.
- The Arts & Culture and Sports & Recreation clusters continue to be supported by strategic granting of monies received from the Hawai`i Tourism Authority (HTA) for the County Product Enrichment Program (CPEP). The County Administration and County Council continue to lobby the HTA to reinstate those very important programs which help to improve facilities on Kaua`i. Additional projects supporting the growth of the Renewable Energy and Food & Agriculture programs can be found under those program areas within this OED section of the Annual Report.

C. Activities

EMERGING INDUSTRY SUPPORT

In October of 2004, OED and the Kaua`i Economic Development Board unveiled the *Kaua`i Economic Development Plan 2005-2015 (KEDP)*, which serves as the County's CEDS*. With the downturn of the Kaua'i, Hawai'i, U.S. and Global economies in 2008-2009, it was critical that the Kaua'i Economic Development Plan be updated to address the challenges that had taken place.

When the first KEDP was implemented, the Visitor Industry was not included as it was thriving and the goal was to diversify the economy by looking at other segments. Unemployment was at an all-time low of 2.4%, besides the visitor industry, real estate and the housing market was booming where the median prices for homes and condominiums were increasing each month.

That all changed in 2009 where unemployment reached an all-time high of 10.0%, visitor arrivals fell by as much as 30% from the previous year, construction projects that were either slated to break ground or were underway, came to a standstill. As Kaua'i's residents were losing their jobs, consumer confidence and discretionary spending was almost non-existent. The updated KEDP would have to address these concerns that weren't prevalent the first time around and emphasize the diversification of Kaua'i's economy so we don't continue to rely heavily on the visitor industry.

The *Plan* identifies six emerging clusters on Kaua`i. These clusters include:

- Food & Agriculture
- Health & Wellness
- Sports & Recreation
- Culture & Arts
- Science & Technology
- Sustainable Technologies & Practices (Renewable Energy)

OED continues to focus efforts on diversification and implementing portions of the *Plan*. Toward this end, in Fiscal Year 2012-13, OED budgeted \$15,000 in a line item titled "Emerging Industry Support." That funding was utilized to support the following projects:

- Kaua`i Economic Development Board (KEDB) - Kaua`i Agriculture Business Plan Competition
- Kaua`i Economic Development Board (KEDB) – Aloha `Ike High Technology Program

D. Program Measures – Accomplishments / Evaluation

Most of the program accomplishments and evaluation takes place in each of the six sectors overseen by the OED specialists. These accomplishments are noted in each section below:

E. Budget (General Fund)

Description	FY 2013 Appropriation	FY 2012 Appropriation
Equivalent Personnel (E/P)	3	2
Salaries, Wages & Benefits	\$390,422	\$269,873
Operations	\$576,296	\$668,855
Equipment	\$0	\$4,500
Program Total	\$966,718	\$943,228

TOURISM

A. Objectives

The County of Kaua`i - Office of Economic Development (OED) –Tourism is secure in its role as a support entity whose many partnerships work to enhance Kaua`i, the product. This office holds a key position in supporting the sales effort and marketing opportunities of Kaua`i as a visitor destination. OED-Tourism, supports the effort of the Kaua`i Visitors Bureau (KVB) as the Marketing/Advertising arm of the island. The OED Tourism Specialist is a member of the KVB Marketing committee and reviews the KVB Consumer Tradeshow Meetings, Incentives, Conventions and Events (MICE), promotions, marketing plan and budget. The County Council approved budget for KVB in FY2012-13 was \$200,000. The budget and final report from KVB is on file in OED.

In addition this office is constantly looking for and applying for other grants for improvement projects in the natural and cultural resources areas.

The OED-Tourism office may provide visitor information and statistical data as needed, and provide assistance in locating information sources.

Another focus area of this office is the management of the Hawai`i Tourism Authority's County Product Enrichment Program (CPEP) and The County of Kaua`i, Special Events and Grants Program. All HTA programs, except the Special Events and Grants Program run on a calendar year (CY), versus a fiscal year (FY) basis which presents its own challenges.

B. Highlights

The recovery of Kaua`i's economy continues to be fueled by the visitor industry. The upturn gained momentum in 2012 and continues through 2013. U.S. arrivals continue to strengthen. The visitor industry has come a long way since the depths of the Great Recession of 2009. Last year, Kaua`i saw the biggest percentage gains, lifted by airline capacity from our partnerships with Alaska Air, United Air, American Air, Hawaiian Air and Delta Air. We also have our partnership with WestJet who continue to help with our Canadian numbers. Occupancy rates rose by approximately 4%. By 2013, Kaua`i will break above the pre-

recession levels. Total visitor arrivals will continue to rise this year. Kauaʻi saw increases in all market segments in visitor days for a total of 11.2% increase.

Kauaʻi's top five US cities for visitors were San Francisco, Los Angeles-Orange County, and San Diego, California, as well as the Seattle, Washington and New York Metro Area. Though all islands showed growth, Kauaʻi showed the strongest gain in occupancy for the first half of 2013.

Through 2012, increases were realized by vacation rentals (16%), hotels (12%), Bed & Breakfast operations (7%), timeshare (7%) and condominiums (6%).

As we look to 2013-2014 we forecast continued, but slower growth for tourism.

C. Activities

OED-Tourism staff sit on the Kauaʻi Visitor's Bureau marketing committee, Kauaʻi Visitor's Bureau Board, Visitor Aloha Society of Kauaʻi, Kauaʻi High School – Academy of Hospitality & Tourism (AOHT) board, and oversees countless events by providing guidance and recommendations.

In 2010, the Office of Economic Development has advised stakeholders that due to the downturn in the economy and subsequent reduction in Transient Accommodation Tax (TAT) amounts that would flow to HTA, HTA CPEP funds would be reduced. For CY 2013, the CPEP funds were lowered to \$400,000 from \$425,000.

In 2011, HTA eliminated the funding for the Airport Greetings Program which provided "live" entertainment / musicians in the Lihue Airport lobby. Since this was a very successful program in that this was the visitor to Kauaʻi's last impression before embarking on a long flight home and the end to what hopefully was a memorable vacation experience, the County of Kauaʻi stepped up to the plate and provided funding for the program to continue and has done so for the last 3 years. This program continued to provide entertainment once per day, 4 days a week in the airport lobby from 6:30 p.m. to 9:00 pm or 9:00am to 11:30am through June of 2013. With heightened security measures, processing entertainers for security clearance is a constant challenge. The State of Hawaiʻi's Lihue Airport contract security personnel (Securitas) has been an invaluable source of support through this process to comply with TSA's requirement that includes an annual renewal and audit of all the entertainer's security badges.

OED worked diligently with the HTA and other private entities on the Poipu Beach Sand Restoration Study. The \$75,000 award from the Hawaii Tourism Authority's Natural Resources program was completed by May 2013. OED now is working with the County of Kauaʻi – Department of Parks & Recreation to have the sand delivered and placed at Poipu Beach Park.

OED-Tourism has taken the lead in distribution and management of the Kekaha Community Host Benefit grant fund utilized to help Kekaha with community projects for Kekaha. Currently there is approximately over \$800,000 in this fund and 8 grants that will help to utilize this money for the Kekaha community.

OED-Tourism also administers the Kaua`i Festivals website (www.Kaua`i_festivals.com) and marketing program. Programs and events that will occur on Kaua`i that fit County OED guidelines are entitled to have a webpage that highlights their event or program. The site is supported by Tsunami Marketing via the Kaua`i Visitors Bureau, and OED maintains the text of the website as part of our marketing efforts. With 2013 CPEP funds we are continuing to update and upgrade this site and proceed with a marketing program for Festivals and Events including a marketing package with confirmed lower rates for advertising for festivals and events in our program as well as a mobile app for the website.

D. Program Measures – Accomplishments / Evaluation

Description	CY 2013 Actual (thru June)	CY 2012 Actual	CY 2011 Actual
Visitor Arrivals	560,732	1,084,868	1,011,500
Total Expenditures	\$731M	\$1,411B	\$1,174B
Per Person Per Day Spending	\$171.30	\$172.70	\$154.60
Average Length of Stay (days)	7.61	7.53	7.51
Hotel Occupancy	69.9%	68.8%	63.5%
Average Daily Rate (ADR)	\$223.89	\$212.85	\$203.71

**Information obtained from DBED&T, HTA, DLIR and UHERO Kaua`i County Forecast.*

As mentioned previously, Kaua`i continues to realize economic recovery largely in part to the “growth” of its main economic engine, Tourism. Visitor Arrivals by Air and Hotel Occupancy numbers have steadily increased. When comparing hotel occupancy to visitor arrivals, it becomes very apparent that many visitors to take advantage of the growing number of vacation rentals and timeshare resorts that comprise over 50% of Kaua`i’s visitor plant inventory. Unlike the hotel and condominium sectors, the vacation rental and timeshare industry does not report their occupancy statistics.

The Visitor Industry is Kaua`i’s main economic engine and provides a majority of jobs that rely on its success. Over the last 3 years we have seen a reduction in unemployment as a result of the Visitor Industry rebound.

E. Budget (General Fund)

Expense Type	FY 2013 Appropriation	FY 2012 Appropriation
Equivalent Personnel (E/P)	1	1
Salaries, Wages & Benefits	\$102,916	\$97,932
Operations	\$473,942	\$350,825
Equipment	\$0	\$0
Program Total	\$576,858	\$448,757

HTA Funds / County Matching Funds

In CY 2013, Tourism received \$400,000.00 from the Hawai`i Tourism Authority (HTA) for CPEP. The County provided matching funds in the amount of \$275,000.00 for different programs in FY 12 such as greetings, product enhancement and an ambassadors of aloha program.

The CPEP Program allows for an administration fee of up to 75,000. This fee supports two part time positions at OED which includes part time for an accountant and a part time position that supports tourism and the OED office.

Awards Distributed

Thirty-six programs that include the island's best known festivals were awarded HTA funding from the CPEP/County program in 2013. Some programs that received HTA and County funding for this period include: Kaua`i Veterans Day Parade, E Kanikapila Kakou, Kaua`i Mokihana Festivals, Kamehameha Day Parade, Red Clay Jazz Festival, Coconut Festival and Waimea Town Celebration. A full list of programs by the Calendar Year is on file at OED. In addition Tourism managed the Kaua`i Marathon contract for \$120,000.

Almost 74,258 people attended HTA-supported events on Kaua`i in 2012, with another 208,692 attending those events supported specifically by Kaua`i County (this includes a display that is seen at the Līhu`e Airport so numbers may be skewed). Among the HTA-supported event attendees, half were visitors (35% from the mainland, 5% from a foreign country and 10% from another island). Among the specific Kaua`i County supported events, 34% of the attendees were visitors (8% from another island, 22% from the mainland and 3% from a foreign country).

As part of a CPEP marketing program, funding is provided for the update of special events and festivals on the Kaua`i festivals.com website. The OED staff continue to populate the website to include more types of festivals and events including sports so that the site can become a "one-stop" site for information on what is taking place on Kaua`i. In addition, we've implemented a small marketing program to promote the site in conjunction with the Kaua`i Visitors Bureau.

This year we released the CPEP marketing toolkit with negotiated group advertising rates for events and projects who are seeking to advertise to visitors and kama`āina. It also provided a step by step process for providing the best in a public relations and ad campaign on Kaua`i with many great ideas to increase awareness. This toolkit has met with overwhelming success and open arms by both the users and the advertisers.

AGRICULTURE

A. Objectives

OED provides staff support to the Kaua`i Agriculture Advisory Committee, a body providing advice to the administration on broad agricultural matters in the County and state. The work entails a major component of networking to match agricultural needs in the county with opportunities represented by state, federal and educational agencies. The office also assists the groups on legislative matters of mutual interest with the County and provides input for matters of County legislative interest.

B. Highlights

The future of diversified agriculture on a large scale is contingent of several factors: decisions made by large landowners, including the State of Hawaii, on lease costs and terms for use of their lands and the preservation of existing, but rapidly deteriorating irrigation systems that are a legacy of the sugar industry now defunct on Kaua`i . The large corporate seed companies have been rapidly expanding onto grazing lands as they reach terms with the owners. This will probably continue as they can tap both the land and reservoir of trained agricultural labor.

Opportunities exist for grass-fed beef and orchard crops for export, but the entry costs in terms of processing facilities are quite high. They are less high for export substitution, but present a barrier to commercial expansion nevertheless.

C. Activities

The growing sentiment for “sustainability” and for organic products has not resulted in prices and demand strong enough to create a “bow wave” for farmers to make investments in increased production. This is most likely a reflection of Kaua`i’s home market of 68,000 people with an additional 20,000 visitors on average. It is a pocket market, and even intra-state exports run up against stiff competition in the relatively large Oahu market of 1.2 million. As a result, quality, novel and unique products do best on Kaua`i and in Hawaii. Taro and parent seed are prime examples in which Kaua`i has a competitive advantage, the former by virtue of unique growing environment and the latter for available land and relative isolation from commercial corn production and related pests. Some small diversified farmers carve out niches for themselves and can do well by becoming expert at what they do and offering high quality products and service.

D. Program Measures – Accomplishments / Evaluation

Description	FY 2013	FY 2012	FY2011
Farm Group Meetings	12	18	24
Agency Coordination	8	10	10
Selected Statistics (CY–calendar year)	CY 2012	CY 2011	CY 2010
Sunshine Market Vendor Days	8,300	8,300	9,000
Sunshine Market (\$)	\$974,000	726,000	\$663,000

Papaya Production (# of pounds)	n/a	n/a	n/a
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The Hawai‘i Department of Agriculture, as a result of budget reduction does not produce the annual statistics series used in former reports. The only statistics the County of Kaua‘i produces are the Sunshine Market Statistics provided above.

E. Budget (General Fund)

Description	FY 2013 Appropriation	FY 2012 Appropriation
Equivalent Personnel (E/P)	1	1
Salaries, Wages & Benefits	\$120,368	\$113,373
Operations	\$278,411	\$284,650
Equipment	\$0	\$0
Program Total	\$398,779	\$398,023

SUSTAINABILITY

A. Objectives

The objective of the County’s Sustainability Program is to have county government lead by example by developing, adopting, and implementing sustainable practices for county operations, which will ultimately lead to the development and implementation of a county-wide comprehensive sustainability plan for Kaua‘i.

The government sustainability program is designed to guide and assist County departments in their efforts to incorporate sustainability into their operations. The sustainability program will foster the creation of programs and actions that promote island sustainability and assist County departments to reduce environmental impacts from operations and improve environmental performance. The sustainability program should ultimately enable the County to reduce the consumption of electricity, natural resources and decrease our dependency of fossil fuels.

As the County moves towards more sustainable practices, it is envisioned that public interactions will also motivate the public to think and act in a more sustainable manner.

The county sustainability program has six overall goals.

1. Introduce the concept of sustainable, long-term thinking that considers multiple impacts of actions on the environment, social equity and the economy, into all county policies and activities. **Institutionalize sustainability as a county value.**
2. Help the County develop innovative, inter-departmental programs that save money, support local businesses and create jobs, improve quality of life, and protect the environment and public health.
3. Develop relationships between the county, non-profit organizations and businesses to share sustainability practices.

4. Create a permanent sustainability program within county government that grows and improves over time. Start with a Greenhouse Gas Emissions Inventory followed by the creation of a government operations sustainability plan to improve energy and resource use.
5. Track improvements and successes for the government program over time using verifiable metrics. Improve the county's data collection system so progress can be measured.
6. Develop a county-wide sustainability program with collaborative partners leading sustainability efforts in different sectors.

B. Highlights

The Sustainability Program is part of the Mayor's Holo Holo 2020 program where Mayor Bernard P. Carvalho, Jr., presented a vision for Kaua'i during his Inauguration speech on December 1, 2010 that has resounded throughout Kaua'i, the State of Hawai'i, and the mainland United States. The Mayor's vision, Holo Holo 2020, calls for all organizations, businesses, residents and visitors on Kaua'i to be part of creating an island that is sustainable, values our native culture, has a thriving and healthy economy, cares for all – keiki to kupuna, and has a responsible and user-friendly local government. The Mayor's five focus areas include: supporting our economy; becoming more sustainable; planning wisely for our future; caring for our community; and delivering excellent customer service.

Funding for the Sustainability Manager was approved in the FY 2011-2012 budget and the position was filled in September 2011. Glenn Sato, long-time Energy Coordinator for the County was selected to fill the new position. Ben Sullivan was hired to be the new Energy Coordinator in December 2011, replacing Glenn. A major commitment from the county was to fund the energy coordinator from county general funds. Funding the Energy Coordinator position via general funds, instead of grants, solidified the support structure for the position and provided stability and long-term commitment to energy efficiency and renewable energy initiatives, cornerstones of becoming a more sustainable island. The Mayor also restructured staff positions to commit more resources to reduce the County's carbon footprint and hired a Sustainability consultant to produce a carbon emissions report to determine the County's carbon footprint.

The County's expanding transportation system, land use planning efforts and electrical energy and fuel use are all under close scrutiny and noticeable improvements are expected in carbon reduction. Since energy use is a major sustainability program metric, much time was spent in the transition process so major energy initiatives such as the Energy Savings Performance Contract, Electric Vehicle/charging station pilot program and the Kaiākea Fire Station Photovoltaic power system could continue without major delays.

The Sustainability Program started with data collection for a greenhouse gas emissions inventory. This effort exposed the weakness of the county's fuel management and data collection system, which will be replaced shortly. A staff-level Green Team was also organized in early 2012, with the Mayor's endorsement, to implement sustainability measures within each office. These measures are described in the following Activities section. The Sustainability Manager also kept the lead role in two energy-related programs due to the

difficulty in transitioning program information due to the complexities of the projects as well as the institutional knowledge required to complete the projects on time. This included the EV-Ready program and the Public Utilities Commission's Reliability Standards Working Group.

In the Fall of 2012, the County of Kaua'i launched a formal sustainability initiative focused on County operations and its departments, and began formulating strategies to reduce government operations greenhouse gas emissions. Crucial input was provided by an administrative working group representing all departments. A series of five workshops were held, resulting in a working draft County Operations Sustainability Plan. The Plan is envisioned as a "living document" that will be revised and improved over time.

C. Activities

Staff-level Green Team

The first order of business for the Sustainability Program was to form a Staff-level Green Team. The Staff-level Green Team was formed in February 2012 with the approval of Mayor Bernard Carvalho, Jr. The SL-Green Team included representatives from various county agencies and departments who helped to research and analyze the county's current assets, methods, and operations, and identify options for improving efficiencies, reducing costs, and achieving greater societal and environmental stewardship. Members either volunteered to be on the SL-Green Team or were nominated and agreed to participate with the approval of their supervisors or department heads.

The SL-Green Team's purpose is to focus on recommendations to improve energy and resource use in county operations by:

- Reducing waste.
- Promoting energy conservation and efficiency.
- Reducing fleet petroleum use.
- Reducing pollution and greenhouse gas emissions.
- Reducing use of toxic chemicals.
- Increasing energy efficiency of county buildings and facilities.

The SL-Green Team adopted the following goals:

- Lead by example and take kuleana for malama aina.
- Manage resources properly-waste, water and energy.
- Realize cost-savings through proper resource management.

The Staff-level Green Team as of June 30, 2012 included the following members:

- Allison Fraley, Solid Waste Program Development Coordinator, Public Works
- Ben Sullivan, Energy Coordinator, Office of Economic Development
- Brian Inouye, Building Officer, Public Works
- Glenn Sato, Sustainability Manager, Office of Economic Development
- Jeremy Lee, Program Specialist III, Transportation Agency
- Shelley Teraoka, Administrative Specialist, Housing Agency

- Leanora Kaiakamalie, Planner, Planning Department
- Mary Daubert, Public Information Officer, Office of the Mayor
- Eddie Topenio, Administrative Assistant to the Council, County Council
- Mandi Swanson, Specialist IV, Information Technology
- Cindy Duterte, Administrative Officer, Dept. of Parks and Recreation
- Emily Medeiros, Recycling Specialist, Public Works
- Laura Kelley, Recycling Specialist, Public Works

The hope is to add new members as we progress and interest grows in making county operations more sustainable.

The SL-Green Team selected the following 4 projects to work on to improve county operations during the fiscal year. These projects were selected because of particular interest from members, potential impact on county operations, and the ability to advance these initiatives with little or no funding.

1. **Thermostat Settings Policy:** This initiative seeks to determine via a survey, how office staff feels about their work environment and if their offices are too cold or too warm. In many cases, the offices are too cold and majority of employees wear jackets and sweaters and some even activate space heaters under their desks resulting in extreme energy use and a dysfunctional office environment.

Current status: Survey questions are being developed and Information Technology consulted as to the best way to issue the survey and track results.

2. **Paper Reduction Campaign:** This campaign seeks to reduce county office purchases of paper through re-use of paper for drafts, double-sided copying, electronic circulation of documents for review, reducing the fonts so more fits on a page, etc.

Current status: The SL-Green team developed and distributed (via-e-mail), an informational flyer to all county employees with suggestions on how to reduce paper use in their daily work routine. Periodic reminders will be issued.

3. **Disposables to Re-useable Campaign:** County offices historically have used paper plates, forks, cups, etc. for office functions. The SL-Green team encouraged offices to use more reusable dishware and flatware and collected donations of such items from hotels and timeshares that periodically replace their sets. These reusable dishes, cups, flatware and even washable napkins were segregated into 3 separate “kits” that are available for workshops, special gatherings and office parties. Each loaner kit can service 25 people. Surplus donated reusables were also be made available so county offices can stock their own set for office use and reduce or eliminate the need to purchase disposables.

Current status: Three loaner kits are now available to all county agencies.

4. **Ridesharing Program:** The SL-Green Team will try to coordinate a ridesharing program among county employees. The State Dept. of Transportation is developing a ridesharing application where those with the ability to offer rides and those seeking rides will be able to link up and secure an agreement with no county or state involvement. All arrangements will be via ride provider and those seeking rides. The County's intent is to facilitate program development with the hope that a ridesharing program will be embraced by county employees.

Current status: The SL-Green Team has contacted State DOT and will be tracking the development and release of the ridesharing applications.

Other projects under consideration for future action as Green Team initiatives include:

- Computer Turn-off Policy
- Office Refrigerator Replacement Program
- Collection of Compostable Materials
- Rainwater Harvesting
- Centralized Printing Center
- Slightly Used Office Supplies Reuse Room
- Sustainable Office Awards Program
- County Facilities Leak Reporting and Repair Program
- County Offices' Increased Recycling Program
- County Sustainability Fair

Greenhouse Gas Emissions Inventory

Data collection for electrical usage at county facilities was easy to secure, with the assistance of the Kaua'i Island Utility Cooperative. Fuel usage data proved to be a major challenge due to the less-than-optimal Gas Boy fuel management system used by the county. Fuel management system breakdowns and lost records proved insurmountable and bulk fuel purchase information was used to do rough calculations on fuel use. The County is expected to upgrade to a better fuel management system (Fuel Master) in early 2013, which should improve data collection moving forward. In addition, the County Energy Coordinator has plans to move forward with an improved energy management system for county facilities that should improve real time data collection and facilitate energy efficiency improvements.

County Operations Sustainability Plan

In April 2013, the County completed an Operations Sustainability and Climate Action Plan that is envisioned as a guide for implementing projects and initiatives. The Plan was crafted to be a living document kept in a working draft format that can be revised and improved over time. Better metrics are envisioned to provide opportunities to become more sustainable by tracking progress...following the adage that you can't improve what you can't measure. The eight sections covered by the Operations Sustainability Plan include:

1. Saving Energy
2. Driving Less and Driving Clean
3. Using Green Energy
4. Saving Water

5. Recycling and Cutting Waste
6. Buying Green
7. Building Green
8. Anticipating Climate Change

Electric Vehicle Program

The County EV program continued to be developed during the fiscal year. EVs were assigned to Real Property, Mayor’s Office/Office of Economic Development, Building Division, Parks and the Water Dept. There were no major technical problems other than some no-cost software upgrades provided by the manufacturer. Future plans are to consolidate the county’s vehicle fleet and structure a Green Motor Pool so several agencies with no need for a permanent vehicle will be able to sign out an EV or Prius for use on an appointment basis. This program is expected to roll out in mid-2013.

Reliability Standards Working Group

In December 2011, the Public Utilities Commission opened a docket to develop reliability standards for the Hawaiian Electric Companies to enable more renewable energy resources to be added to the grid. Although Kaua’i and the Kaua’i Island Utility Cooperative is not included in the order, both KIUC and the County of Kaua’i requested to be part of the Reliability Standards Working Group because the findings are also directly related to increasing renewables on the KIUC grid. The Sustainability Manager continued to participate in all discussions because he was the original lead participant for the County and the transition to the new Energy Coordinator would have been difficult to achieve in a timely and effective manner. Much of the discussions were via a sub-group labeled Minimum Load Curtailment. A final report to the Commission from the Independent Facilitator was filed on March 24, 2013.

D. Program Measures – Accomplishments / Evaluation

Description	FY 2013 Actual	FY 2012 Actual
Program Funding	\$40,731	\$0
County Operations (internal sustainability initiatives)	4	4
Sustainability Presentations	8	3

E. Budget (General Fund)

Expense Type	FY 2013 Appropriation	FY 2012 Appropriation
Equivalent Personnel (E/P)	1	1
Salaries, Wages & Benefits	\$176,981	\$154,997
Operations	\$40,731	\$0
Equipment	\$0	\$0
Program Total	\$217,712	\$154,997

ENERGY

A. Objectives

The Objectives of the Energy Coordinator- working through the Office of Economic Development are to assist the County of Kaua`i in managing energy use including reducing energy consumption, increasing efficiency, conversion to clean renewable energy sources, and various energy planning efforts. The Energy Coordinator works on both internal County operations and in collaboration with other entities to develop and implement broader Island and State-wide energy goals.

Goals for internal energy reductions were developed in 'FY 13. On the electricity side, the goal is to reduce County use by 30% over the next ten years through various efficiency measures. On the fuel side, the goal use to reduce County fossil fuel use by 50% in ten years, including both increased efficiency and switching to clean and renewable fuels.

Projects initiated from the energy office frequently include and depend on the excellent work of other County agencies such as the Department of Public Works' Building Division, Solid Waste Division and Wastewater Division, as well as other departments and agencies. Energy Coordinator also participates actively in energy initiatives on the Federal, State, and local (utility) levels to determine its impacts on the County and its programs. This include participation in state legislative efforts, Hawai'i Public Utilities Commission dockets, State level energy planning through DBEDT, engagement with Kaua`i Island Utility Cooperative and other initiatives relating to energy. Energy Coordinator is also very active on the County's Staff Level Green Team.

B. Highlights

FY '13 was a successful year for the program in terms of setting needed aggressive goals and establishing both the tools and the pathways to achieve them. There were also some projects that did not move forward which the office has learned from and is now leveraging. Among the successes were both internal and external planning efforts including the 2012 Recommendations to the original Kaua`i Energy Sustainability Plan, and the development of operational energy goals within the newly developed Operations Sustainability Plan. Another key project that moved forward in FY '13 was the implementation of a County tracking system for electric and other utilities at all County facilities. This tool will be key in allowing better tracking of progress on energy goals. In addition to facility level tracking, the energy office has continued to explore other tools for more granular energy data and management and will be implementing them in FY '14.

Other initiatives that progressed closer to implementation were (1) the development of the methane resource at the Kekaha landfill and (2) the conversion of County streetlights to LED.

On a State wide level, the Energy Office participated in several key efforts including development of On-Bill Financing through the Public Utilities Commission, and continued efforts on the Energy Efficiency Portfolio Standard. The Office worked with and aligned our planning efforts with the Hawaii Clean Energy Initiative, and continues to gain valuable assistance from numerous State wide organizations.

C. Activities

Energy Project Development

Landfill Methane Project – Energy Coordinator worked with multiple parties including County Solid Waste, KIUC, and PMRF in re-evaluating the Kekaha Landfill Methane opportunity. County has determined to focus methane development on vehicular use of the methane and to accelerate the implementation of the methane capture system in the near term.

Green Motor Pool Pilot – Energy Coordinator worked with Sustainability Manager and Finance Department to develop a green motor pool pilot which will be expanded in FY '14 with the goals of saving money and reducing fuel/energy use. Several dozen employees currently use the more efficient hybrid and electric vehicles that are part of this pilot.

Staff Level Green Team – Energy Coordinator continued to participate in the Green Team efforts including a successful Refrigerator Replacement program and initiation of an Office Comfort Program, both targeted at allowing County Offices to participate in reducing their energy footprint.

Kekaha Solar Project – Energy Coordinator worked with the County team to assist the community in implementation of a community solar program funded by the Kekaha Host Community Benefit Fund.

Wastewater Performance Contracting - Energy Coordinator worked with the project team to develop a performance contract to implement energy conservation measures at County Wastewater plants. County and the ESCO Company were not able to reach agreement due to differences on cost and risk evaluation associated with the proposed improvements. Wastewater division is moving forward independently with energy improvements and this energy coordinator is providing assistance with energy use monitoring and support.

Energy & Utility Management & Monitoring – Energy Office successfully implemented a cloud based utility tracking system that allows for centralized input of energy consumption data monthly and tracking and access to usage data and reports by County management. We expect to incorporate water data to the tool as well in 'FY 14.

Energy Policy & Planning

Operations Sustainability Plan – Energy office contributed to the development of operational energy savings goals for Kaua`i County. The plan provides a broader perspective and pulls together numerous ongoing efforts within the energy office to help see a path forward to achieve the aggressive goals of 30% efficiency improvement and 50% fossil fuel reduction in ten years. A key component that was initiated in FY '13 was department level energy planning, which allows each department to align their efforts with the County goals and establish their internal path for achieving the goals.

HPUC Dockets - Kaua`i County Energy Coordinator contributes actively to the statewide effort to implement an Energy Efficiency Portfolio Standard through the State Public Utilities Commission. The group is tasked with making recommendations to the PUC on the Statewide EEPS goals in order to achieve the 30% efficiency target for 2030 (4300 GWh Statewide) A major issue for managing the EE Portfolio is in the development of tools for setting and

tracking organizational targets for efficiency. County of Kaua`i has presented to the EEPS Working Group regarding tools used internally for energy use tracking and State agencies are considering the adoption of similar tools.

Kaua`i County is also active in the working group to develop an On-Bill Financing Program, which will be available State wide and allow Kaua`i residents and small businesses to make energy improvements that can be financed through their electric bills. The program is expected to roll-out in early 2014.

Kaua`i Energy Sustainability Plan 2012 Recommendations – Efforts to develop follow-up recommendations from the original Kaua`i Energy Sustainability Plan (completed in 2010) were completed in ‘FY 13. This involved the reconvening of the original Energy Policy Advisory Committee, facilitated by the County Energy Office. Several of the key recommendations have already been implemented and others are moving forward in FY ’14.

Hawaii Clean Energy Initiative Steering Committee – County Energy Coordinator sits on the HCEI Steering Committee, which is a State level effort to achieve a 70% energy reduction from 2008 levels by 2030. Participation offers insight into State Planning and policy efforts and allows for alignment between State and County where beneficial to both.

Kaua`i Economic Development Board Renewable Energy Committee Energy office worked with the Kaua`i Economic Development Board in the planning of an annual energy conference which was held in August of 2013, and other ongoing efforts.

County-KIUC Collaboration – The energy office put considerable efforts in strengthening collaboration with Kaua`i Island Utility Cooperative in FY ’13. As a result, KIUC has agreed to work closely on several key projects including streetlight conversion to LED and

D. Program Measures – Accomplishments / Evaluation

Annual Review of County Electrical Accounts

Fiscal year	Total Energy Use	Total Energy Cost
FY 2013	20,050,237	\$8,527,003
FY 2012	19,736,657	\$8,575,235
FY 2011	19,362,523	\$7,506,952
FY 2010	19,972,688	\$7,186,732

Other measures

Description	FY 2014 Forecast	FY 2013 Actual	FY 2012 Actual	FY 2011 Actual
Major Projects	4	4	4	6
Operational Electricity Savings	3% reduction	established	n/a	n/a
# of Departments with Energy Plans	8	established	n/a	n/a
Fleet Efficiency Metrics	established	n/a	n/a	n/a

E. Budget (General Fund)

The State Department of Business Economic Development and Tourism (DBEDT) has discontinued EES funding to the County, as their source of funds (Petroleum Violation funds) has been depleted and their barrel tax allotment is only 15 cents of the \$1.05 total collected. The Legislature has been using most of the barrel tax funding to supplement the State General Fund rather than allocating it to the State Energy Office for its intended purpose.

Description	FY 2013 Appropriation	FY 2012 Appropriation
Equivalent Personnel (E/P)	1	1
Salaries, Wages & Benefits	\$111,311	\$122,366
Operations	\$55,756	\$30,500
Equipment	\$0	\$0
Program Total	\$167,067	\$152,866

FILM COMMISSION

A. Objectives

The Film Commission (KFC) works with film, TV and other entertainment production companies, producers, writers and directors worldwide to encourage them to bring projects to Kaua'i, by resourcefully explaining the benefits and positive experiences they will receive, and then helps to assure their success. Concurrently, the Film Office works to support the diversity of resources that make Kaua'i an attractive filming location including the scenic environment, visitor industry, cultural heritage, and aloha spirit.

1. Utilizing existing marketing campaigns and collateral, the Film Office continues its ongoing marketing efforts. The office has simultaneously reviewed and developed a potential updated plan.
2. The Film Office works directly with location managers, producers, directors and industry decision-makers to consider and develop new locations and incentives for filming on Kaua'i.
3. Works directly with producers filming on Kaua'i to assure that their needs are met and that the community and environment are treated with respect and are protected.
4. Works with the community to assure both the economic well being of local film industry resources and production success.
5. Monitors the technology trends in production and film to help further establish Kaua'i as a technological asset to filmmakers, as well as help to assist the island's infrastructure to better support production.

B. Highlights

There were 36 film productions on Kauaʻi in 2012 which generated \$925,000 in local expenditures. It also created jobs for 115 local hires.

C. Activities

Kauaʻi Film Commission is a member of Association of Film Commissioners International (AFCI) which is a global organization of certified commissioners with more than 300 film commissions in six continents. KFC attends and participates in AFCI sponsored and AFCI-related events which holds workshops, seminars and panel discussions to assist film commissioners become more successful in marketing their film locations and to help increase film activities in their respective jurisdiction. One of AFCI's signature events is the annual Location Expo Tradeshow in Los Angeles which features hundreds of film commissions and film-related businesses to showcase and pitch their locations and film products to thousands of film producers from around the world.

Marketing and Sales Strategy

The Kauaʻi Film Commission, housed in the County of Kauaʻi Office of Economic Development, has focused its efforts on attracting a larger number of smaller commercial productions and independent films as well as feature films; reality shows and travel-related television shows which help promote Kauaʻi as a viable filming and travel destinations. From infomercials and music videos, industry films to commercial advertising films and still photo shoots, the film industry continues to infuse millions of dollars into Kauaʻi's economy each year. With the 5% increase in tax incentive in 2013, KFC and other Hawaiʻi film commissions will pitch the added incentive to filmmakers in future sales and marketing campaigns.

Printed Materials

The Film Office utilized a "Movies Made-on-Kaua'i" information piece, a location photo brochure and Hawaiʻi Production Index in print format which is now on CD, while attending various film industry trade shows and film-related events that offered direct contacts with industry professionals and decision-makers.

Website

The Kauaʻi Film Commission website www.filmKaua'i.com serves as a key resource and contact point for filmmakers seeking information about film locations on Kauaʻi.

Media

Kauaʻi Film Commission provides film-related news and information to the media via press releases through County's Public Information Office.

KFC also collaborates with Kauaʻi Visitors Bureau (KVB) to produce ad campaigns and media blitz events with movies made-on-Kauaʻi as themes including 50th anniversary events for "South Pacific" and Elvis Presley's "Blue Hawaiʻi". KFC also collaborates with KVB to celebrate 100 years of Hollywood film production in Hawaiʻi this year with an advertising campaign in a major film-trade magazine in Hollywood.

Social and Business Media

In 2012, Kauaʻi Film Commission Facebook was created to inform film industry specialists and general public of ongoing and current film-related news and information. Facebook has become a reliable, efficient and no-cost business media network which helps promote Kauaʻi's film industry and locations.

Film Offices of the Hawaiian Islands

Kauaʻi Film Commission which operates out of County of Kauaʻi Office of Economic Development, works in conjunction with city and county film offices on Oahu, Maui and Big Island, as well as Hawaiʻi State Film Office at (DBED&T) and operate as a consortium under the name of Film Offices of Hawaiian Islands (FOHI). FOHI attended tradeshow, film festivals and conferences and has monthly conference calls to discuss film production updates and trends, and challenges as well as plan new marketing strategies to attract filmmakers to shoot their productions in Hawaiʻi, FOHI also markets to industry leaders and decision makers about the benefits of filming in Hawaiʻi.

Hawaii International Film Festival (HIFF)

Kauaʻi which hasn't hosted Hawaiʻi International Film Festival since 2006, will host Hawaiʻi International Film Festival in late 2013. With support from Kauaʻi Visitors Bureau and Kauaʻi Film Commission which spearheaded efforts with HIFF office in Honolulu to bring HIFF back to Kauaʻi, HIFF will create a community of film enthusiasts, artists and general public to watch multi-ethnic and cultural selections of films on Kauaʻi. HIFF-Kauaʻi will draw attention to global filmmakers who may consider submitting their films for possible screening in the future. KFC assisted in finding venues for the movies and two coordinators to organize and host HIFF-Kauaʻi. KFC will also request funds for HIFF Kauaʻi in next year's film budget.

Legislative Activity

Although the bill didn't pass in 2012, a new proposal to increase tax credits passed legislation in April 2013. The tax credit increased from the 15% and 20% on Oʻahu and neighbor islands, respectively, to 20% and 25%, respectively in 2013.

Future Filmmakers of Kauaʻi

Kauaʻi has a growing number of elementary, middle and high school students as well college students studying film and media technology in schools, We are already decades into the digital age, and the present and our future depends almost entirely on it. Kauaʻi has young brilliant, innovative and progressive minds and creative artists and talents who needs the *proposed* Kauaʻi Creative Technology Center (KCTC) to be built so students can expand their education and hone their skills to succeed and sustain as future filmmakers in this competitive world. KCTC, although not a sound stage or film studio is a first step to develop a viable 'film business industry' facility on Kauaʻi where professionals and visiting film crew can incorporate the facility to do pre and post-production work while filming on Kauaʻi as well as create a professional working environment for Kauaʻi's film industry specialists to learn and improve their skills. The center will also provide incredible hands-on opportunities for the growing number of students studying film and digital media in schools.

D. Program Measures – Accomplishments / Evaluation

Film Commission program measures are based on economic impact and jobs creations which are tracked on a calendar year (CY) basis. The statistics were accumulated from film permits issued by State and County of Kaua`i.

Description	CY 2012 Actual	CY 2011 Actual	CY 2010 Actual
Economic Impact	\$925,000	\$1.2M	\$41M
# of Film / TV projects	28	29	31
# of Shoot Days	128	165	360
# of Jobs (Kaua`i hires)	115	110	420

The breakdown for all film, video and still photo shoots during the course of the year as follows:

<u>Type of Production</u>	<u>US</u>	<u>Japan</u>	<u>Europe</u>	<u>Australia/Canada</u>	<u>Total</u>
Feature Films	1	0	0	0	1
Television/show/series	12	0	0	1	13
Commercials/print ads	3	1	0	0	4
Music Videos	0	0	0	0	0
Documentaries	4	1	1	0	6
Travel	5	4	1	0	10
Sports	0	0	0	0	0
Digital/Internet/Etc	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
Total	27	6	2	1	36

E. Budget (General Fund)

Description	FY 2013 Appropriation	FY 2012 Appropriation
Equivalent Personnel (E/P)	1	1
Salaries, Wages & Benefits	\$95,159	\$90,551
Operations	\$33,641	\$103,500
Equipment	\$0	\$0
Program Total	\$128,800	\$194,051

WORKFORCE INVESTMENT ACT (WIA)

A. Objectives

In 1998, President Clinton signed into law (PL 105-220) the Workforce Investment Act of 1998 (WIA) to stimulate local areas' strategic redevelopment and improvement of local workforce systems, while also amending the Wagner-Peyser Act of 1933 (WP) by integrating its Employment Service labor exchange activities into the One-Stop Career Center delivery system of WIA. Reauthorization of the Workforce Investment Act has been pending since 2003.

In February 2009, President Obama signed into law the American Recovery and Reinvestment Act of 2009 (ARRA) under which some State of Hawaii ARRA competitive grant awards are still active. The SESP grant award to the County of Kaua'i ends on December 31, 2012.

Since the Act's inception, the four counties in the State of Hawai'i have been designated as the local area One Stop Operators by the Governor, and as a result, receive Federal Workforce Investment Act (WIA) funds from the U.S. Department of Labor (USDOL) through the State of Hawai'i's Department of Labor & Industrial Relations (DLIR) Workforce Development Division (WDD) which administers the program.

ADULT & DISLOCATED PROGRAM

The ***WIA Adult Program*** assists adults in obtaining the skills necessary to secure and retain employment and move toward self-sufficiency. Three levels of service are provided under the "One-Stop" system framework: core services, intensive services and training. The type and duration of service is determined based upon the individual job seeker's specific needs and is then defined in the individual employment plan (IEP) developed by the case manager.

The service population priorities are aligned with the overall State WIA plan with focus on low-income individuals, including migrant and seasonal farm workers, public assistance recipients, minorities, women, veterans, older workers (retirees), ex-offenders, and individuals with multiple barriers to employment.

The ***WIA Dislocated Worker Program*** provides job search, training and placement assistance to individuals who have been terminated or laid off from employment, are collecting unemployment insurance, or are displaced homemakers. As with the Adult Program, dislocated workers may access a range of services depending upon the individual's needs and employment objectives.

WIA YOUTH PROGRAM

The ***WIA Youth Program Services*** were provided through a contract with Paxen Huli Ke Alo LLC. From December 2011 through June 30, 2012 funds from both PY 10 and PY 11 overlapped due to the contracting delays in implementing 2010's contract. Even with overlapping funds, it was extremely challenging for the Paxen to budget sufficient funds to cover overhead and program costs. Paxen decided to operate without an office location and instead met with participants for classes in the 3 high schools and numerous neighborhood centers, and one-on-one at various libraries around the island.

Starting this year 2013, Paxen was relocated part-time at WorkWise Kaua`i to aid in Youth services to the community. The Services provider is now going through a 3rd Amendment to their contract because of their great services in the community.

EDUCATION

About Face has seen a remarkable increase in participant enrollment in college, mostly due to the Wai`ale`ale Project at Kaua`i Community College [focuses on first-in-family to attend college, single mothers, others with barriers to education].

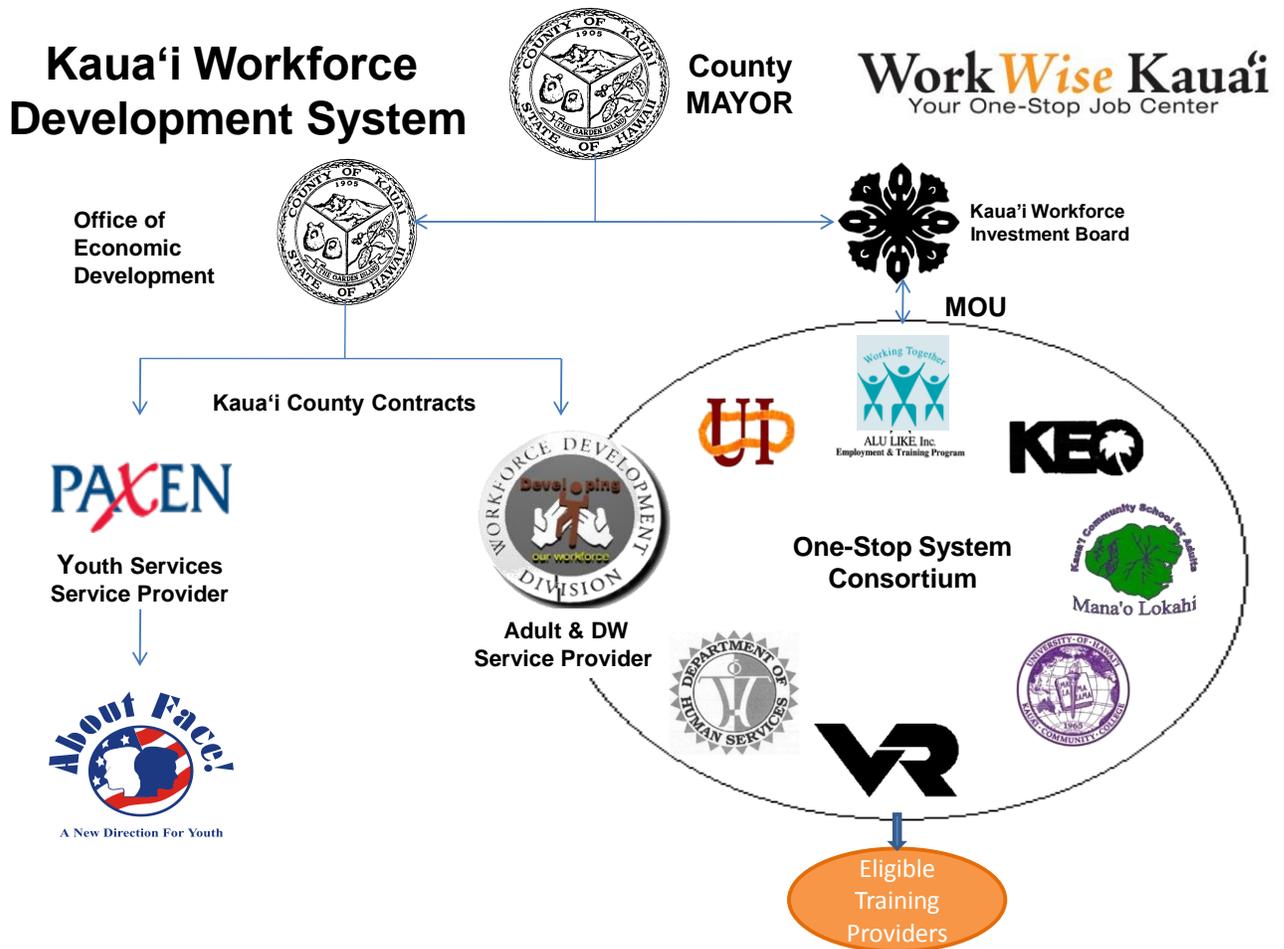
The previous chart viewed shows substantial progress in the Adult, Dislocated Worker and Youth Services Programs for PY 12, July 2012 – June 2013.

ONE-STOP OPERATOR

The County of Kaua`i is designated as the local area One Stop Operator by the Governor, and as a result receives Federal Workforce Investment Act (WIA) funds from the U.S. Department of Labor (USDOL) through the State of Hawai`i's Department of Labor & Industrial Relations (DLIR) Workforce Development Division (WDD) which administers the program.

As a One Stop Operator, the County of Kaua`i Office of Economic Development (OED) is responsible for:

- Local administration of the three WIA programs that focus on employment and training, through two service provider contracts:
 - Adult and Dislocated Workers served by the State DLIR Workforce Development Division (WDD) housed in the *WorkWise* - Kaua`i One-Stop Job Center.
 - Youth served by Paxen Huli Ke Alo, LLC.
- Oversight of “*WorkWise* – Kaua`i One-Stop Job Center,” a consortium of **ten** mandated community partners receiving Federal WIA or related employment and training funds as shown in the diagram on the following page.
- Oversight of the mandated Kaua`i Workforce Investment Board (KWIB).



WORKFORCE INVESTMENT BOARD

The 30-member volunteer Kaua'i Workforce Investment Board (KWIB) is charged with policy and planning responsibilities and operates as a forum where business, government, labor, education, community-based organizations and the public work together to create an integrated market driven workforce system which sustains Kaua'i's economic growth and competitiveness by addressing the needs of employers seeking qualified workers, as well as the needs of eligible island residents for training to develop in-demand skills for current and future employment opportunities.

In cooperation with the Mayor, KWIB sets direction for workforce development utilizing as its foundation, the KWIB Strategic Plan, as well as the Kaua'i's CEDS Report, a prioritized set of EDA-eligible projects that reflect the needs expressed by stakeholders in the community.

Through collaboration, these volunteers provide leadership and help carry out the Board's mission to:

“Ensure Kaua'i's workforce is prepared with needed skills and talents to develop a flourishing business community.”

YOUTH COUNCIL

Due to the unique needs of young people, the Youth Council is a mandated entity and is a committee of the Board. It is comprised of community members with diverse expertise and resources relating to youth and is tasked with building a comprehensive infrastructure and program designed to provide quality services for Kaua`i's youth.

KWIB, the Youth Council, the program service providers, the *WorkWise* Kaua`i Consortium Partners and the County's WIA Administrator work together to achieve the program objectives that support the economic development of Kaua`i through the workforce development system.

B. Highlights

PROGRAM INFRASTRUCTURE

In 2011, Congress significantly reduced the amount of funds that States can withhold for administrative use which is now beginning to have a significant impact on the State of Hawai'i Department of Labor and Industrial Relations since all of its administrative staff associated with WIA have been paid directly with WIA funds. The DLIR attempted to secure temporary funding from the 2012 State Legislature, as well as sought a correction to the interpretation of the Congressional action but both efforts were not successful.

The WDC Executive Director, his position has been eliminated as of September 30, 2012 and the oversight of the State WDC will be absorbed by DLIR Administrative Workforce Development Division (WDD).

The DLIR Workforce Development Division continues to propose consolidating all delivery of WIA programs under a single State Board which will mean eliminating the Counties as the one stop operators on the neighbor islands. As of today's date this decision has not come to fruition.

Due to significant State budget cuts to the Department of Education, effective July 1, 2012 all statewide administrative functions of Community School for Adults programs have been consolidated under the two largest programs on O'ahu. So Kaua'i's program now falls under the McKinley CSA, which handles registration for classes and the award of diplomas.

For now, the GED, C-based Mastery program, ABE, and ESL programs will continue to be offered as in the past using the existing Kaua'i CSA instructors. The availability of courses will be subject to change in the future based on enrollment data.

KWIB

Steve Lupkes, BASF Plant Science Research Station Manager, continues to lead the Board, serving as Chair since January 2010. And the Board continues to partner with other organizations and agencies whenever possible in planning programs and events to maximize use of all of our resources to benefit the Kaua`i community and to minimize duplication of effort. Collaboration is our strength.

C. Activities

JOB FAIR

WorkWise Kaua`i, the County of Kaua`i and KWIB collaborated to host Kaua`i's 11th island-wide job fair on Wednesday, October 3, 2012 that was held for the first time at the County's War Memorial Convention Hall in Lihue. Eighty-four (84) businesses represented a cross section of industries including government, healthcare, the major resorts, rental car agencies, financial services, retail (soft goods, hard goods, and grocery), food service and agriculture.

Five companies sent representatives from O`ahu while the Maui Economic Opportunity Inc. also participated. All vendors were very pleased with the turn out and caliber of job seekers. And they also said that they will continue to participate in future on-island events.

Many of the 700 plus job seekers came well-prepared in suitable work attire and with a supply of resumes. Workshops on Dressing for Success, Interviewing Tips, and Resume Writing were available as well. This was a very successful event!

SESP - STATE ENERGY SECTOR PARTNERSHIP GRANT

SESP Program ended on 12/31/2012

As part of a three year \$6 million dollar ARRA U.S. Government grant awarded to the State of Hawaii, the Kaua`i County received \$273, 278.00 in late January 2010. The focus of the (SESP) State Energy Sector Partnership Grant was to address Hawaii's energy industry needs and to equip our workforce to support the goals of the Hawaii Clean Energy Initiative and the County of Kaua`i's Energy Sustainability Plan.

As part of the initiative a portion of those funds were contracted to the State of Hawaii's Department of Labor & Industrial Relations, Workforce Development Division WorkWise Kaua`i One-Stop Center to help administer the initial recruitment and support services needed. Included in the initiative as local Training & Education service providers was the University of Hawaii - Kaua`i Community College's Office of Continuing Education and Training.

In the beginning, as "energy" courses were created and implemented it proved difficult to recruit due to the college's limited advertisements and as a result – low or no enrollments at the local college. In late Fall 2011 when it became apparent that "green jobs" were not as available in the U.S. as has been anticipated, the United States Department of Labor (USDOL) increased the target population to include incumbent workers as part of the grant. This helped to broaden the scope of recruitment in the Kaua`i Island community.

The Final Outcome of the SESP various activities are listed below:

a.	Total number of participants served.	70+7 =77		100 %
b.	Total number of participants beginning education/training activities.		77	100%
c.	Total number of participants completed training activities.		73	95%
d.	Total number of participants that complete training/education activities that receive a degree or certificate.		73	95%
e.	Total number of participants the complete training/education activities that are placed into unsubsidized employment.		7	9%
f.	Total number of participants placed in unsubsidized employments that retain an employed status at the first and second quarters following initial placement.		4	6%
	Females	7		9.0%
	Veterans	3		3.8%
	Adult	22		28.5%
	Dislocated Workers	30		38.9%
	Incumbent Workers	24		31.1%

Kaua`i County exceeded the number of participants trained under the SESP grant and is committed to continue to provide relevant training in areas that the LWIB Board envisions job opportunities as well as in areas that support the fulfillment of the Hawai`i Clean Energy Initiative and the Kaua`i Energy Sustainability Plan.

Problems and Issues in Implementation

Kaua`i Community College’s Office of Continuing Education & Training Division was tasked with SESP implementation on the Kaua`i Community College Campus but overlooked academic credited courses available that should have been part of the course offerings listed.

Kaua`i Community College’s Office of Continuing Education & Training Division also did not follow procurement policies and as a result had difficulties in paying the CEM contractor.

In time it was observed that courses that were part of the program at the local college continued to be poorly promoted and then cancelled on short notice. Effective and timely dissemination of program information hindered SESP participation.

On Friday, October 26, the County was notified by Workforce Development Division – WorkWise Kaua`i that all of their Kaua`i funds were expended and they actually have an estimated deficit of \$11,000 as of October 15, 2012. In review of the County’s Expenditure Report the Kaua`i County will then determine what funds can be de-obligated. It was requested that applicable procedures and forms be forwarded immediately to the SESP Program Administrator at that time.

In December 2012, the grant contract was modified and Kaua`i County de-obligated funds to take care of the deficit that was incurred (See Figure B: 1-2). Despite setbacks, the success rate for LEED certifications has been extremely high. Funds are being made available to send the remaining LEED student participants to Oahu to take their certification exams.

An important segment of the Grant’s challenge was to provide and advertise an array of courses that would lead to steady work opportunities for potential program participants upon completion of training. The challenge continues to be creating steady work opportunities.

CAREER EDUCATION

As a continuing collaborative effort, the staff of WIA and WorkWise Kaua‘i, along with numerous KWIB members continue to volunteer many hours during the year to **support career education programs at our schools** including: speaking at career awareness events, as well as conducting resume writing and interview preparation workshops, conducting mock interviews, and judging senior projects. These activities are vital to help bring the real world of work to our students, as part of the Board’s effort to “Grow Our Own Talent.”

YOUTH COUNCIL REORGANIZED

After being inactive for three years, the Youth Council began meeting again in December 2010. Key youth service provider representatives were invited to become members and those responding to the challenge are highly motivated and excited about the opportunity to collaborate to benefit our Kaua‘i youth. Re-establishing the Kaua‘i Youth Council fulfilled one of the key recommendations made in a WDC staff report in February 2011 assessing the condition of the youth programs in Hawai‘i.

Continuing in the initiative in PY 2012-13, is the interim Youth Council Chair, Leialoha Sanchez, a crisis counselor from YWCA. With her new leadership role, the Council added on some revitalization with the election of new officers:

- Leialoha Sanchez, YWCA Crisis Counselor - Chair
- Tricia Yamashita, Director, Kaua`i Hospice - Vice-Chair
- Kaulana Finn, Director, Big Brothers Big Sisters - Secretary
- Mark Ozaki, KPAL Community Liaison Officer - Treasurer

The Youth Council is developing their collaboration skills working with the DOE in planning the High School Career Days for the new fiscal year.

D. Program Measures – Accomplishments / Evaluation

Description	CY 2012 Actual	CY 2011 Actual	CY 2010 Actual
Labor Force	32,700	33,400	32,900
Employment	28,100	27,900	27,700
Unemployment Rate (Kaua`i)	7.4%	8.6%	8.8%
Unemployment Rate (Hawaii)	5.7%	6.7%	7.1%
Unemployment Rate (U.S.)	8.1%	8.9%	9.6%

The Kaua'i Unemployment Rate at the end of the calendar year 2012 was 7.4%, down from 8.6% a year before. The State of Hawaii seasonally adjusted labor force data went from 33,400 to 32,700 dropping by 700 jobs. Statewide the unemployment rate fell to 5.7%.

Description	CY 2012 Actual	CY 2011 Actual	CY 2010 Actual
Seasonally Adjusted Non-Ag. Jobs (Kaua`i)			
Mining, Logging & Construction	1,300	1,400	1,600
Manufacturing (Non-Durable Goods)	300	300	300
Total Goods Producing	1,600	1,700	1,900
Trade			
Wholesale Trade	500	500	500
Retail Trade	3,700	3,800	3,800
Transportation & Utilities	1,300	1,300	1,300
Financial Services	600	500	500
Information Technology	300	200	200
Real Estate, Rental & Leasing	700	700	700
Professional, Scientific, Tech Services	700	700	700
Mgmt of Companies & Enterprises	100	200	100
Administrative & Support & Waste Mgmt	2,000	2,000	1,900
Educational & Health Services			
Educational Services	200	200	200
Health Care & Social Assistance	2,300	2,300	2,400
Leisure & Hospitality			
Accommodations	4,100	4,100	3,800
Food Services	3,500	3,300	3,300
Other Services	1,800	2,000	1,900
Total Service Producing	21,900	21,800	21,300
Government			
Federal	600	600	600
State	2,700	2,600	2,700
Local	1,300	1,200	1,200
Total Government	4,600	4,400	4,500
TOTAL	28,100	27,900	27,700

WIA PROGRAM MEASURES

The three WIA programs: Adult, Dislocated Worker and Youth Services programs must meet federally mandated performance Measures including: entered employment, employment and credentials, six-month retention rate and six-month earnings change for Adult, Dislocated Worker, and Older Youth and skill attainment, diploma rate, and retention for Younger Youth. The State negotiates the desired performance levels for these core indicators with the U.S. Department of Labor for the State which has been applied to each County as well; but these will be negotiated separately for the County level for subsequent program years.

KAUA'I COUNTY ACTUAL VS. GOALS FOR PY 12 and PY 11

The following table compares Kaua'i's PY 12 performance to the State as well as the prior year.

Adult Program	PY12 Performance Targets	PY 12 4 Qtrs. To 6/30/13	PY12 4Qtrs to 3/31/13	PY12 4Qtrs to 12/31/12	PY 12 4 Qtrs. to 09/30/12	PY 11 Performance Targets	PY 11 KAUA'I 4 qtrs. to 6/30/12
Current Number Served							47 7.8% of State
Entered Employment Rate	69.5%	59.2	37.5	50%	55.6%	50 %	66.7
Employment Retention Rate	86%	87.2	100%	90.9%	87.5%	82.1%	83.3
Employment and Credential Rate	66%	81.3	33.3	40%	50%	55%	57.1
Dislocated Worker Program							
Current Number Served							79 11.4% of State
Entered Employment Rate	75%	76.3	40.7	53.8%	48%	65%	57.1
Employment Retention Rate	90%	89.5	75%	75%	61.5%	86%	45.5
Average Earnings	\$14,750.	14,019.2	17,067.2	\$17,067.2	\$16,850.1	\$14,750	\$18,538
Employment and Credential Rate	63.5%	81.3	57.1%	44.4%	14.3%	60%	14.3
Older Youth (19-21)	PY 12 Performance Targets	PY 12 4 Qtrs. To 6/30/13	PY 12 4 Qtrs. to 3/31/13	PY 12 4 Qtrs. to 13/31/12	PY 12 4 Qtrs. to 09/30/12	PY 11 Performance Targets	PY 11 KAUA'I 4 qtrs. to 6/30/12
Current Number Served (No exiters during period)							4 4% of State
Entered Employment Rate	73%	83.3%	59.3%	43.5%	46.2%	40%	NA
Employment Retention Rate	82%	75%	0	0	0	60%	NA
Average Earnings Change	\$3,100.	\$5,133.	0	0	0	\$1,750	NA
Credential Rate	60%	66.7%	0	34.8%	38.5%	38%	NA
Younger Youth (14-18)							
Current Number Served							59 14.2% of State
Skill Attainment Rate	88%	87%	93.3%	100%	92.2%	71%	70.6
Diploma Attainment Rate	66%	100%	65.2%	64%	52.2%	46%	35.0
Retention Rate	49.5%	50%	33.3%	30.8%	46.2%	44%	50.0

Bold – met or exceeded goal
Green highlight –90% or more of goal
Yellow highlight – 80% or more of goal
Red – under 80%; needing to be approved

Note: Kaua'i serves a greater % of participants in comparison to the State's totals, than the % of funds received.

WIA SUCCESS for 2012-2013

DEFINITION

1. *obsolete:* **OUTCOME, RESULT**
- 2 a: degree or measure of **succeeding**
b: favorable or desired outcome; *also:* the attainment of wealth, favor, or **eminence**
- 3: one that **succeeds**

SUCCESS STORY #1

Py12-July 2012 to June 2013



Frances Young was born and raised in Anahola, Kaua`i and is a graduate on Kapaa High School. She said she made some bad choices in her youth, hung out with the wrong crowd, developed a police record and spent time in KCCC. She came to the WDD SNAP E&T program unemployed and on criminal probation but brought with her a great attitude!! I assisted her with Job Search Skills Training, Career Development, Barrier Assessment, Supportive Services and Educational Assistance. Today, she is a great success, currently employed at the Lihue Bowling Center and will start pursuit of a degree from KCC in August 2013.

Wayne Mukai, Supervisor, SNAP E&T

SUCCESS STORY #2

Py12-July 2012 to June 2013

Client: Tisha Bernardo, WIA DW

Tisha Bernardo was referred through the Reemployment and Eligibility Assessment (REA) Program last year in March 2012. She was unemployed from her previous employer, United Pubic Workers (UPW), as a Membership Services Representative in October 2011. After learning of the programs we offer, she wanted to seek a career change to achieve her goal and attain a position in the Office Administration field. Enrolled her in the Workforce Investment Act (WIA) Program; this will enable her to participate in federally funded programs.

Assisted Tisha in implemented an Individual Employment Plan. She was interested to update her computer skills in Excel and training in Office Administration. Tisha successfully completed a short term course in Excel.

While Tisha continued to search for jobs; followed up and guided her through different options to seek employment. Reviewed and explained with her about the Work Experience (WE) Program and the National Emergency Grant, On the Job Training (NEG OJT) Program. She was interested in both programs; provided her a suitability check application for the WE Program. She also wanted to seek for an employer for the NEG OJT.

Informed Tisha about the Work Experience (WE) Program that, here at WorkWise Kaua'i there is a temporary 89-day position available as an Employment Service Receptionist. She was very interested and that her suitability check was approved for the WE Program. She started the WE Program at WorkWise Kaua'i on April 23, 2012. Not too long after, about two weeks into the job at WorkWise Kaua'i, she mentioned that she got hired for a full-time position with Kaua'i Dermatology as a Front Office Receptionist. She was very excited about it. As soon as we, WorkWise Kaua'i, heard of the announcement, we contacted the employer, Kaua'i Dermatology, to introduce and discuss about the NEG OJT Program. The Owner was very interested to participate and followed all of the procedures to make it succeed. This would help Tisha get her feet in the door. We, WorkWise Kaua'i made sure that Kaua'i Dermatology was registered in the Hawaii Compliance Express and discovered that employer has a Certificate of Vendor Compliance. After discovering this, we all were excited and went on with the NEG OJT procedures from Pre-Award Survey to Notarizing documents. Tisha received an hourly rate of \$14.00 and employer received 90% reimbursement. Tasha ended her WE at WorkWise Kaua'i on May 11, 2012 and started NEG OJT on May 15, 2012.

Tisha successfully completed the NEG OJT Program on September 14, 2012. Kaua'i Dermatology hired Tisha after the NEG OJT Program as a full-time Front Office Receptionist; hourly wage rate increased from \$14.00 to \$17.00. They are glad to have Tisha as part of their team; per Office Manager, Tisha has a good rapport with patients and a fast learner. Tisha learned many skills and tasks; manages multiple duties. Tisha is very happy working with Kaua'i Dermatology; mentioned that everyone is nice and gets along well with others.

Adele Manera, WDD

SUCCESS STORY #3

Py12-July 2012 to June 2013

SCSEP program

David N. left Kaua`i to help his son on the mainland. When he returned to Kaua`i in Aug 2010 he was unable to get reemployed. He then enrolled in SCSEP program and was placed in County of Kaua`i worksite in October 2010 gaining grounds keeping experience. He later moved to County Transportation Division January 2012 and performed small engine repair at Kapaa Baseyard. Seven months later on 8/20/12 he was hired by County of Kaua`i Transportation Division to work on equipment and bus engines. He works full time with benefits at \$23.00 an hour.

D. Longmore

SUCCESS STORY #4

Py12-July 2012 to June 2013



Ashlee Gonsalves was born/raised on Kaua`i but spent part of her youth in Oregon and Nevada. She lives in Lihue with her single mom. She dropped out of high school in the 11th grade and never had a "real" job before coming to WDD SNAP E&T. Mom said she "mostly stayed at home and played on the computer." I assisted Ashlee with Job Search Skills Training, Education Assistance/payments, Resume/mock interviews and "what to say & how to say it". Today, she is a graduate (GED) from the Kaua`i Community School for Adults and working at McDonalds, Wal-Mart. She is a big success, much happier and doing great!!

Wayne Mukai, Supervisor, SNAP E&T

SUCCESS STORY #5

Py12-July 2012 to June 2013



Christopher Bessert was born/raised on Kaua'i, graduate of Kapaa High School. He first came to the WDD SNAP E&T in May 2012. He told me he had an extensive criminal record (much time in KCCC) that was a "big barrier in his job search and he didn't know how to answer employer's questions". I assisted him with Job Search Skills Training, Barrier Assessment, Attitude Adjustment, Community Resources and Supportive Services. Today, he is doing great, has full time employment at Unlimited Plumbing as a Landscaper/Plumbing Assistant, taking care of his kids and is looking brightly towards the future!!

Wayne Mukai, Supervisor, WDD SNAP E&T

SUCCESS STORY #6

Py12-July 2012 to June 2013

WIA Adult

Barabara B. was working part time at a retail shop making \$9.00 an hour. She was looking for more hours and higher pay and job searched for close to a year. She enrolled in WIA Certified Landscape Technician training through KCC May 17-June 29 2012 and when the training was finished she was hired at a Landscape company on Oahu in December 2012. She works full time as Arborist/Supervisor and currently refers staff to Certified Tree Worker training using ETF funds. She makes 23.00 an hour and loves her job.

D. Longmore

SUCCESS STORY #7

Py12-July 2012 to June 2013



Patrick Gleason was born/raised in New York, has been on Kaua`i for 6 years. When he first came to WDD SNAP E&T, he said he was "working an "illegal job on a fishing boat, could no longer pay the mortgage on his house and his girlfriend was constantly angry with him because he had no money". I assisted him w/ Job Search Skills Training, LMI, resume/mock interviews, "what to say, how to say it!" and Supportive Services. Today, he has full time employment as a Tour Guide for Kaua`i Backcountry Adventures in Hanamaulu, is doing great and his girlfriend is crazy for him again!!

Wayne Mukai, Supervisor, WDD SNAP E&T

SUCCESS STORY #8

Py12-July 2012 to June 2013



Group Success Story

The 2013 Kaua`i About Face In-School Class got their hands, (and the all the rest), nice and dirty this summer. In partnership with Lihue Court Townhomes and Boys and Girls Club, they were able to participate in a week-long Aquaponics Class taught by Chiefess Kamakahahei Middle School teacher Justin Carvalho.

Aquaponics is a sustainable food growing method that combines the growing of fish and plants in a symbiotic environment to maximize the use of energy and nutrients to grow food. This project was a key part of fulfilling Kaua`i County's program element for Environmental Awareness and Responsibility. Under "Uncle Justin's" guidance, the kids were able to build their own fully functional Aquaponic gardening unit using recycled materials. The kids screened, washed and wheel barreled rocks, used saws, drills, pipe cutters, hammers, screwdrivers and painting gear to make their project. They pulled nails and screws from used wood, cut it to measure, and built a frame for the unit. They cut up and painted cooking oil barrels to make the beds and fish tank. Recycled PVC pipes were cut to make the pump and drain systems.

The weather was hot and sticky, but I didn't hear a single child complain as they worked. They all tried new things, many times out of their comfort zone, learned a whole lot, and ended up feeling a great sense of accomplishment about helping the housing unit become more self-sufficient. Remarkable Project!

Individual Success Story

For the sake of the story, I am going to call this participant "Koa" because he is Hawaiian, he is fast growing, he is strong, and he contains a beauty all his own. Koa grew up in a large family, chaotic environment, little room, and not enough money. Also, lots of love. He is a big, tough looking guy who doesn't talk or smile unless he has reason to. Misleading, since really he is the first person to notice when someone needs help or cheering. I once had to introduce two large groups of kids to each other for a joint activity. I asked the first group to make an effort to welcome the second group. When the time came, all the kids felt too shy to

do anything...except for the big, intimidating looking Hawaiian guy in the back. Koa stepped up and greeted each new kid with a hug and such aloha, the ice was broken and the two groups became fast friends.

The year he came into the program, a lot was going on with his family...a move back to Hawaii to avoid gang activity on the mainland, parents divorcing, 12 kids living in a 2 bedroom house with the help of a tent. Mom and Dad fighting, the mother struggling to raise so many children, and Koa did not get a lot of attention. He did most things right that year, participating in About Face, High School Football, performing in Hula, but his grades suffered and he failed his senior year. This is the guy everyone leans on. His mom calls him "my rock." It was a bit of a shock to those involved, but Koa being Koa, he just dug in, repeated the 12th grade, making sure to keep things together in his quiet, thoughtful way. Happily, he graduated this year and accepted a referral to the Wai`ale`ale Project at Kaua`i Community College. He is now a student there. The best part is that not only is Koa now enrolled at KCC, he has inspired his mom to enroll as well!

Peggy Granda, Paxen, Huli ke Alo.

SUCCESS STORY #9

Py12-July 2012 to June 2013



Cameron Chandler was born/raised in Kapaa, grad from Kapaa High School in 2006. He came to WDD SNAP E&T with electrical skills but was not good at "marketing" himself to employers. I assisted him with Job Search Tips, Resume/Application/mock interviews and Supportive Services. Today, he is no longer on the SNAP program as he was able to secure employment at Pacific Wireless Communication then got promoted to his current position at Oceanic/Time Warner Cable where he will soon be earning \$35 hour following his current in-house training program!!

Wayne Mukai, WDD Supervisor, WDD SNAP E&T

SUCCESS STORY #10

Py12-July 2012 to June 2013

DVR 2013 OUTSTANDING EMPLOYEE OF THE YEAR July 1, 2012– June 30, 2013

Branch/Section: Kaua`i
VRS: Angie Kaleiohi Phone: 808-274-3333
Rehabilitant's Name: Bradley Kaimana McDermott-Sa
Phone: 808-651-0134
Address: P.O. Box 1402, Kapaa, HI 96746
Senate District: Ron Kouchi, District 8
Disability: Autism
Employed at: Safeway Food & Drug Position Title: Courtesy Clerk
Immediate Supervisor: Lesah Merritt Phone: 808-822-2464
Employer/Co-Worker's Comments:

Bradley Kaimana McDermott-Sa is a shining testament to the outcome that can be achieved through the SE/VR Program, a partnership between the DOE and DVR. Guided by his motivation and perseverance, along with the unwavering support of his parents and his teachers, DVR was able to assist Kaimana in reaching his goal of obtaining competitive employment.

DVR first began working with Kaimana during his sophomore year at Kapaa High School. He was diagnosed with Pervasive Developmental Disability (Autism spectrum). He participated in the Work-Study program, working off-campus at various retail stores and also received on-campus training in aquaculture with the Workplace Readiness program. His final placement was at Safeway Food and Drug as a Courtesy Clerk, where he excelled in his job duties and made great strides throughout the school year. Above all, his personal work ethic and attitude was stellar, which did not escape the attention of the store manager.

The original plan was for Kaimana to participate in ESY (Extended School Year), however, when DVR approached Safeway for a possible OJT (On the Job Training) and the response was positive, he decided to go for it! Safeway invited Kaimana to turn in an application, do his drug and TB test, and go through Orientation. An extended OJT of 4 months was agreed upon to ensure adequate time for a satisfactory training period. While there were many challenges for Kaimana, he was able to successfully overcome them and is now a proud employee of Safeway Food and Drug, earning competitive wages and full medical benefits.

**Congratulations to Bradley Kaimana McDermott-Sa.... Kaua`i's 2013
Employee of the Year!**



E. Budget (General Fund)

Description	FY 2013 Appropriation	FY 2012 Appropriation
Equivalent Personnel (E/P)	1	1
Salaries, Wages & Benefits	\$95,159	\$48,946
Operations	\$3,145	\$0
Equipment	\$0	\$0
Program Total	\$98,304	\$48,946

WIA Program Resources (Federal Allocation)

<u>Program Year 2012</u>	<u>Total Budget</u>	<u>Total Allocations</u>	<u>FY12 Expenditures</u>
<u>Equivalent Personnel</u>	-	-	-
<u>Salaries & Fringe</u>	47,116	47,116	1772.95
<u>Administration</u>	72,902	72,902	18,471.33
<u>Adult Program</u>	120,694	120,694	0.00
<u>Dislocated Worker</u>	116,000	116,000	20,000.00
<u>Youth Program</u>	118,000	118,000	103,934.03
<u>Total</u>	<u>474,712</u>	<u>474,712</u>	<u>144,178.31</u>

IV. HOLO HOLO 2020 PROJECTS & STATUS

TOURISM

1. Ke'e Beach Shuttle Service (Budget \$ 0.00)

What started out as the Mayor's vision of a Ha'ena-Ke'e Beach Shuttle program that would work in collaboration with the State of Hawaii's "Hā'ena Master Plan", has now evolved into several shuttle programs around the island of Kaua'i with the goal of reducing vehicles on the road, resolve parking issues and a reduction of imported fossil fuels. Nalani Brun, OED Tourism Specialist and Celia Mahikoa, Director for the Transportation Department are currently working with the State of Hawaii - Department of Land & Natural Resources, their consultant, PBR Hawaii and the Hanalei / Hā'ena community on the Hā'ena Master Plan.

- *Ha'ena-Ke'e Beach Shuttle – currently working with a private landowner who has offered their land to park cars, get them off our roadways and provide shuttle service to Ke'e Beach. The program would also provide a secured place to park cars, reducing the number of car break-ins and making the Ke'e Beach area a pleasurable experience.*
- *Hanalei-Hā'ena Shuttle – currently working with two existing shuttle service providers to see if one or both, can provide service to and from Hā'ena from Hanalei.*
- *Princeville-Hanalei Shuttle – currently working with an existing shuttle service provider and private landowner that would provide land for a parking area and have residents and guests utilize the shuttle service as Hanalei Town does not have the parking stall capacity to meet the number of cars traveling to the Hanalei-Hā'ena area.*
- *Royal Coconut Coast (East Kaua'i) Shuttle – The revived Royal Coconut Coast Association comprised of east Kaua'i business and resorts are working on a shuttle service that would not only benefit visitors staying in Eastside hotels, condos and timeshares in traveling from their hotels to Wailua Golf Course, Keālia Beach and all points in between.*
- *Koloa-Poipu Shuttle- Like the Royal Coconut Coast, the Poipu Beach Resort Association is currently working on a shuttle program that would reduce the number of cars parked along Poipu Road and provide a "park'n ride" for employees who work in the area.*

2. Increase commerce in towns across the island by maintaining unique character – HTA / County Special Events Grants

Nalani Brun, OED Tourism Specialist works with various community organizations to provide financial assistance through HTA and County grants for festivals and events that promotes the culture of each unique community. These long-standing events have benefited from HTA funding, as well as Nalani's commitment and experience to help event coordinators. These events bring both visitors and residents to the towns they are located in, who in turn, provide off-island funding.

Also currently working with organizations such as the Hanapepe Economic Alliance, Kapa'a Business Association, West Kaua'i Professional Business Association, Royal Coconut Coast Association, Lihue Business Association and the Poipu Beach Resort Association on events such as the Coconut Festival, Hanapepe Friday Art Night, Kapa'a First Saturdays, Waimea Town Celebration and others.

3. Restore / Preserve Cultural Sites – Kaneioulouma

One of Mayor Carvalho's first initiatives was to work with Poipu's volunteer group, Hui O Kaneioulouma and entered into a stewardship agreement that provided them with the authority to restore Kaneioulouma that is on County land.

- *Kaneioulouma - Nalani Brun, OED Tourism Specialist is also working with the Parks & Recreation Department and Hui O Malama Kaneioulouma in providing matching grant funds that will assist in the restoration of this culturally significant ancient heiau. Funds have been allocated for the restoration and building of a perimeter, security wall.*
- *Kaua'i Nui Kuapapa (Kaua'i Place Names) – A culturally-based program that will leave a legacy for all Kaua'i. This program will provide island-wide signage of Hawaiian place names that will educate both residents and visitors alike on Kaua'i's ancient moku and ahupua'a land divisions. Not only will it provide a description of those land divisions, but a website will also provide history of the area, what flora and fauna were most associated with that area and other pertinent information.*
- *Hanapepe Salt Pans – An ancient resource and practice of pa'akai (salt) farming, we are currently working with the landowner, State of Hawaii – Department of Transportation – Airports, State of Hawaii Department of Land & Natural Resources and the long-standing Hawaiian families that farmed for many generations to preserve this precious resource and educate the public.*

AGRICULTURE

4. Kilauea Ag Park - 7-day Farmer's Market

Bill Spitz, OED Agricultural Specialist and OED Director, George Costa have worked with consultant R.M. Towill in completing the required Environmental Assessment (EA) as part of the EDA Grant application process. Findings of the EA have produced a finding that native endangered bird species frequent the proposed Ag Park and a Habitat Conservation Plan will need to be completed to comply with U.S. Department of Fish & Wildlife and the Economic Development Administration (EDA) requirements before proceeding.

With the Environmental Assessment (EA) completed, the Office of Economic Development is working now to address issues that were raised in the EA relative to impacts in endangered birds (e.g. Nene), availability of irrigation water and cost of development. Also met with Kilauea Community members and farmers who would like to explore other ways to develop this Ag Park that won't cost as much as presented.

Suggestions include having the County clear/clean site, Kilauea farmers to create a non-profit organization to help develop and manage Ag Park, see if County can enter into a Stewardship Agreement with non-profit, and explore other opportunities for irrigation water, i.e., Bill Porter – Kilauea Mini-Golf.

Also revisiting need for project at current location given budget, endangered bird species concerns and availability of other potentially more advantageous sites.

The Office of Economic Development has met with and is collaborating with the Kilauea farmers and Kilauea Neighborhood Association on developing the Ag Park as a community project that uses community equipment, assets and sweat equity.

Work is also being done on securing financial support through grants, as opposed to relying on government funds.

5. Restore Storm Irrigation System at Kalepa

Bill Spitz, OED Agricultural Specialist will work with the Department of Public Works and the East Kaua'i Water Users Cooperative in formulating plans to restore former sugar plantation irrigation systems in the Kalepa region as part of the development of the new Landfill and Materials Resource Recovery Facility (MRRF).

6. Leasing of 1,000 (68) acres of land to farmers

Bill Spitz, OED Agricultural Specialist and George Costa, OED Director working with Agriculture Development Corporation (ADC), the Kaua'i County Farm Bureau (KCFB) and the Kaua'i Cattleman's Association(KCA) in providing long-term leases to farmers and ranchers in an effort to provide affordable land to help promote the agricultural industry on Kaua'i and reduce our dependence on importing at least 85% of our food.

7. Papaya Disinfestation Facility

Bill Spitz, OED Agricultural Specialist and George Costa, OED Director worked with the Kaua'i County Farm Bureau, Kaua'i Farmers Association and the Kaua'i Economic Development board on the continued maintenance of the Tropical Fruit Disinfestation Facility, as well as working with a consultant to complete a feasibility study and business plan.

The recently completed feasibility study pointed to diminished need for this facility and a lack of organizational capacity on the part of the Kaua'i County Farm Bureau to bring the project to fruition. Facility now being considered to be used as a Materials Recycling Facility (MRF).

ENERGY

8. Electric Vehicle Charging Stations

Glenn Sato, former OED Energy Coordinator, now Sustainability-Green Manager successfully applied for and received State DBEDT Grant to purchase 5 electric vehicles (Nissan Leafs) and 5 charging stations. The grant also provides for 6 additional charging stations to be installed at the Civic Center, Historic County Building and War Memorial Convention Hall. The Nissan Leafs are scheduled for delivery in November. Glenn is still working with the Purchasing Department to secure funding and purchase the charging stations.

9. Increase Use of Alternative Energy Sources via implementation of Kaua'i Energy Sustainability Plan – Energy Performance Contract

Glenn Sato, former OED Energy Coordinator, now Sustainability-Green Manager currently putting together RFP in order to hire an Energy Savings Company to perform an Energy Performance Contract that covers all County facilities.

10. Increase LEED-certified buildings (Budget \$0.00)

Glenn Sato, former OED Energy Coordinator, now Sustainability-Green Manager will be responsible for crafting a Sustainability Plan for the County and Kaua`i, and look towards increasing the number of LEED-certified buildings on the island.

WORKFORCE DEVELOPMENT

11. Maintain educational activities/programs - Kaua`i In-Step Science Show & Robotics Program

The Office of Economic Development works closely with Mattie Yoshioka and the Kaua'i Economic Development Board and is a member of the Education Committee which reviews, evaluates and awards grants to Kaua`i 's schools and students in various projects. The County of Kaua`i supports the Kaua`i STEP, Aloha Ike and other STEM projects.

12. Kaua`i Community College extension of satellite campuses and degree offerings

Continue to work with Helen Cox, Chancellor of the Kaua'i Community College to see what OED can do to assist in achieving this goal.