



# **Office of Economic Development**

**Fiscal Year 2020 Annual Report**

**July 1, 2020 – June 30, 2021**

**Nalani Brun  
Director**

## OFFICE OF ECONOMIC DEVELOPMENT

### **I. MISSION STATEMENT**

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

### **II. DEPARTMENT GOALS**

The goals of this office are:

- A. Assist businesses of all sizes, emerging industries and organizations in providing technical and possible financial support, as feasible, in an effort to provide full employment opportunities for all of the County of Kaua'i's residents.
- B. Utilize the Guiding Principles of the Kaua'i Economic Development Plan – Comprehensive Economic Development Strategy (CEDs) to help improve and diversify Kaua'i's economy over the next 10 years:
  - Economic Diversification: To strengthen selected industry clusters to minimize dependence on a single industry
  - Economic Self-Sufficiency: To minimize imports and promote import substitution
  - Economic Opportunity for all: To offer an appropriate education and training opportunities to give workers choices and to promote living wages.
- C. To work with the business community to ensure Kaua'i's workforce meets their needs today, as well as in the future.
- D. Assist the business industries in growing their businesses to meet the needs of the island and beyond, through technical assistance, education and accessing the right resources.

#### Duties and Functions

1. *TOURISM*: Oversee tourism strategic plan and cooperate/support visitor industry partners.
2. *FILM*: Increase film opportunities on Kaua'i and support film partners.
3. *AGRICULTURE*: Increase agricultural products on Kaua'i, support agriculture partners, and maintain viability of the Sunshine markets.
4. *SUSTAINABILITY & ENERGY*: Developing, adopting, and implementing sustainable practices for county operations and the island community. Also, manage and reduce the County's fossil energy use through increased efficiency, conservation, and use of renewable energy.

5. *WIOA (Work Force Investment Opportunity Act)*: Oversee the implementation of the WIOA funds for adult, dislocated workers and youth.
6. *BUSINESS INNOVATION SUPPORT*: Provide support to local business to grow and innovate.

### III. PROGRAMS

#### GRANT PROGRAM (All sectors)

The OED grant program is a competitive awards program that supports sustainable economic development in agriculture, tourism, film & creative industries, sustainability, business and workforce capacity building. Proposals must address and support the program goals and objectives for the chosen sector area an organization applies to. In this fiscal year we wanted to focus our efforts on large grants of approximately 50,000 for projects that helped move the needle on problems we were seeing with our economy since COVID arrived.

#### **INNOVATION AND LINE ITEMED GRANTS:**

##### A. Objective

- The objective of the grant program is to create funding opportunity that supports partners in creating opportunities in the sectors of agriculture, sustainability, tourism, product enhancement, creative industries, and special events.
- OED did not have a specific amount of funding to go to a specific sector, but rather, chose projects that were innovative and took money out of a pool of funding. OED selected 11 proposals to fund for a total of \$500,000, the bulk of which went to agriculture projects.

##### B. Highlights: See listing of grants provided.

Sector	Vendor	Description	Amount
Direct Grants	YWCA of Kaua'i	2021 Family Violence Shelter (20%)	85,518.00
Direct Grants	YWCA of Kaua'i	2021 Sexual Assault Treatment (20%)	70,518.00
Direct Grants	Kaua'i Visitors Bureau	2021 Consumer Promotion (20%)	215,000.00
Direct Grants	Kekaha Parent Teacher Association	2021 Kekaha Mill Project (55%)	145,000.00

Business*	Hawaii Technology Development Corp.	2021 Hawaii Technology Development Corp.	25,000.00
Business*	Kaua'i Government Employees - FCU	2021 Collaborative Learning Environments	50,000.00
Sustainability*	WAI, Inc.	2021 Wastewater Alternatives & Innovations	50,000.00
Agriculture*	Aina Hookupu O Kilauea	2021 Farm Tech	45,000.00

Agriculture*	Aina Hookupu O Kilauea	2021 Kaua'i Pig Pen Systems	50,000.00
Agriculture*	Kaua'i County Farm Bureau	2021 Kaua'i Vanilla Partnership Program	50,000.00
Agriculture*	Garden Island RC&D	2021 Kaua'i Coffee Berry Borer	40,000.00
Agriculture*	Iwikua	2021 Greens and Things	40,000.00
Agriculture*	Kumano I Ke Ala	2021 KIKA Online Instruction Project	50,000.00
Technology*	Kaua'i Community Science Center	2021 KCSC Industry Partnership Program	50,000.00
Agriculture*	Kaua'i Economic Development Board	2021 Ulu: Fruit to Flour	50,000.00
Multisector	Kaua'i Economic Development Board	2021 COVID-19 Recovery Programs	174,129.00
Culture	Malie Foundation	2021 Niihau Language Preservation	10,000.00
Workforce	Department of Education - MCSA	2021 McKinley CSA Credential Programs	10,000.00
Workforce	Kaua'i Community College - OCET	2021 Training Services	10,000.00
Workforce	Kaua'i Government Employees - FCU	2021 Rise To Work	65,000.00
Workforce	Kaua'i Economic Development Board	2021 Summer Ag. Internship Program	20,000.00
Agriculture	Hawaii Foodbank	2021 Food Security	25,000.00
Business	Kaua'i Chamber of Commerce	2021 Kaua'i Economic Recovery	20,000.00

<b>2021 GIA Expenditures</b>	<b>1,350,165.00</b>
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\* indicates innovation grant and other is OED general funds

Figure 1: OED Innovation Grant Program Data

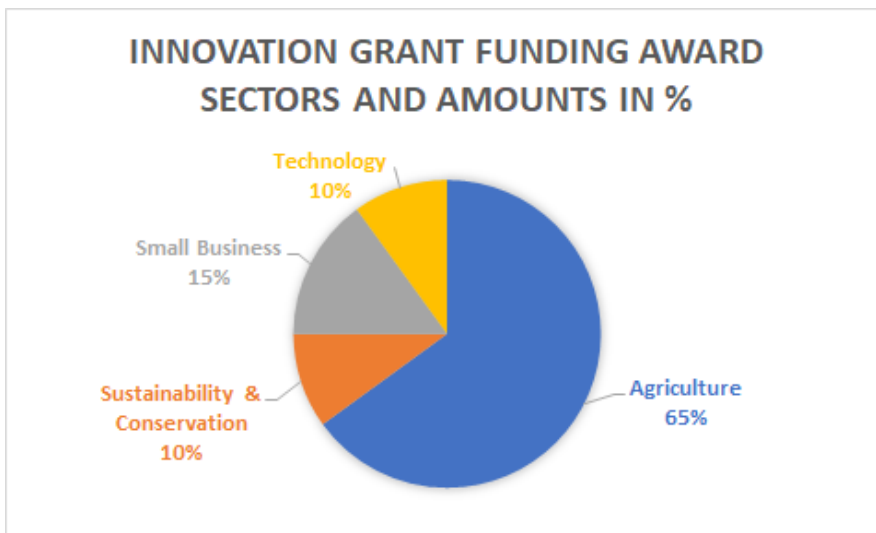


Figure 2: Innovation Grant Funding Award Distributions

**CARES PROGRAMS:**

OED also handled several pots of CARES funding including:

- 5 million in Small Business Boost Grants.
- 2 million in Agricultural grants
- 3 million in tourism and other industry grants
- 2.2 million in Rise to Work (workforce) programs

A. General Description of CARES programs

- The objective of the grant programs was to create a funding opportunity that supports partners in creating opportunities in the sectors of agriculture, sustainability, tourism product enhancement, creative industries, and business support and island economy self-sufficiency within the guidelines of CARES rules and regulations.

B. Highlights

- See below funded programming.

Sector	Vendor	Description	Amount
Business	Gather FCU	2020 Small Business Grant	1,899,750.00
Business	Kaua'i Government Employees FCU	2020 Small Business Grant	1,938,187.50
Business	Kaua'i Teachers FCU	2020 Small Business Grant	646,062.50
Business	HawaiiUSA FCU	2020 Small Business Grant	1,915,125.00
Agriculture	Kaua'i Economic Development Board	2020 Makaweli Ranch Pasture Expansion & Improvement	1,000,000.00
Agriculture	Kaua'i Economic Development Board	2020 Livestock Feed Production Infrastructure & Equipment	750,000.00
Agriculture	Aina Ho'okupu O Kilauea	2020 Ag-Resilient	659,650.00
Agriculture	North Shore EVP	2020 Safe & Stable Kaua'i Farms Initiative	280,246.00
Agriculture	Moloa'a Irrigation Cooperative	2020 Emergency Water Security Projects	52,415.20
Agriculture	Kaua'i County Farm Bureau	2020 Lydgate Farms - Emergency Hires	44,625.00
Agriculture	The Waipa Foundation	2020 Waipa Ho'oulu	143,107.85
Visitor Industry	Kaua'i Visitors Bureau	2020 Tourism Recovery Efforts	1,000,000.00
Agriculture	Kaua'i Government Employees FCU	2020 Agriculture A.I.D. Program	491,654.00
Visitor Industry	Royal Coconut Coast	2020 COVID-19 Tourism Recovery	126,400.00
Business	Hanapepe Economic Alliance	2020 Reinventing Hanapepe Art Night	115,815.00
Business	The Hanalei Initiative	2020 Collaborative Workspace	52,080.00
Business	Homestead Development Corporation	2020 Homestead Campground & Marketplace	48,090.00
Visitor Industry	Garden Island R, C & D	2020 Transforming Tourism at Makauwahi Cave	26,250.00
Business	Kaua'i Chamber of Commerce	2020 Kupaa Kaua'i	167,300.00

Workforce	ProService Xpress	2020 Rise to Work	2,500,000.00
Business	Fraser Consulting ( <b>Opakapaka Grill &amp; Bar</b> )	2020 Visitor Incentive Coupons	12,500.00
Business	National Tropical Botanical Gardens	2020 Visitor Incentive Coupons	12,500.00
Business	Pomare ( <b>Hilo Hattie</b> )	2020 Visitor Incentive Coupons	12,500.00
Business	Steelgrass Farm, LLC ( <b>Lydgate Farms</b> )	2020 Visitor Incentive Coupons	12,500.00
Business	Poipu Investment Properties ( <b>Ko'a Kea Hotel &amp; Resort</b> )	2020 Visitor Incentive Coupons	12,500.00
Business	Kaua'i Backcountry Adventures	2020 Visitor Incentive Coupons	12,500.00
Business	Kipu Ranch Adventures	2020 Visitor Incentive Coupons	12,500.00
Business	CJM Country Stables	2020 Visitor Incentive Coupons	12,500.00
Business	Hanalei Bay Dolphin Corp ( <b>Hanalei Bay Dolphin Restaurant</b> )	2020 Visitor Incentive Coupons	12,500.00
Business	Hokuala Golf Management ( <b>Billy Casper Golf</b> )	2020 Visitor Incentive Coupons	12,500.00
Workforce	University of Hawaii - KCC (OCET)	2020 Workforce Training	20,000.00
Technology	Hawaii Public Health Institute	2020 Beta Testing for Perseus ID COVID Digital App.	10,000.00
Technology	Kaua'i Economic Development Board	2020 Data Feasibility	30,000.00

<b>CARES Act Total</b>	<b>14,041,758.05</b>
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Figure 3: OED CARES Grant Program Data

**TOURISM STRATEGIC PLAN (Tourism)**

During the FY2021, OED participated, along with the Kaua'i Visitor's Bureau, the Kaua'i Community and the Hawaii Tourism Authority in creating the Destination Management Action Plan (DMAP) for the Visitor Industry which has replaced the work of the Tourism Strategic Plan (TSP). Many of the goals in the TSP were reiterated again in the DMAP.

A. Objectives

- The objective of the tourism strategic plan is to refocus tourism to responsibly manage the economic activity of Kaua'i tourism in a sustainable manner while creating memorable experiences for visitors, improving quality of life for residents, and ensuring the stewardship of our natural and cultural resources.

B. Highlights

- Highlights include priority strategies such as support of a comprehensive, multi-modal land transportations system for residents and visitors as well as sustainable management of parks and trails. Piloting of data collection systems for visitor hotspots as well as progression and development of the Tourism Strategic Plan objectives.

**CREATIVE INDUSTRIES/FILM PROGRAM:**

A. Objective

- The Film Commission program’s objective is to increase film production and creative industry activities on Kaua’i.

B. Highlights

- Film Commission program measures are based on economic impact through film production company expenditures and jobs created which are tracked on a Fiscal Year basis. The below figure represents the film production data for FY ‘20-21’
- Although much of the year Kaua’i remained closed to tourism, several productions scouted once COVID regulations allowed them to come to Kaua’i to do so.
- Since the opening of the economy, lots of interest has been shown in filming in Hawaii and Kaua’i due to the “safety” aspect however, we are now short of rooms and rental cars.
- A new film website and logo to launch in the fall of 2021.

FY2021	# of Prod	Filming Days	Spend	Crew
Adv/Comm/Digital - Still Photo Shoots	11	43	55,900	10
Commercial	5	10	156,300	12
Documentary	2	10	11,000	5
Feature Film	2	2	175,000	6
TV Show/Series	3	38	340,000	39
	23	103	738,200	72

*Figure 4: Film Production Data*

**AGRICULTURE**

A. Objectives

- The Agriculture Program is tasked to support the viable growth of Kaua’i ’s agriculture sector by working closely with agriculture producers, agriculture organizations, federal and state agencies, and other key stakeholders. To this end, OED provides support to various agriculture endeavors and participates in networking to match agricultural needs in the county with opportunities represented by state, federal, and educational agencies.

B. Highlights

- Agriculture Education and Workforce Development Program

- i. The purpose is to expose students and young adults to local agriculture with the ultimate goal of developing Kaua'i 's future agriculture workforce.
- ii. Collaboration with Kaua'i Economic Development Board with funding from OED and the Department of Labor and Industrial Relations.
- iii. 61 participants from historically underserved communities
  - 1. Participants' ages ranged from 11 to 25.
  - 2. Included 13 paid interns and 48 student participants
- iv. Participants gained valuable insight into running an agribusiness from seed to sale.
- v. Participants learned various topics ranging from pre-planting research, planting and harvesting, packaging and marketing, managing deliveries, and direct sales to the customer.
- vi. Produce and value-added products that were grown, harvested, or developed were sold or distributed to nine west side restaurants, four businesses (including Kaua'i Veterans Memorial Hospital and Kaua'i Care Center), Kumano I Ke Ala's Kupuna Meal Program, and numerous community members via Community Supported Agriculture programs and pop-up markets.
- Summer Agriculture Internship Program
  - vii. The purpose is to expose high school students to a career in agriculture to meet the growing need for agriculture producers and workers.
  - viii. A collaborative effort with Kaua'i Economic Development Board and the Department of Education with funding from OED and the Department of Labor and Industrial Relations
  - ix. Students worked 80 hours over five weeks and received \$15 per hour compensation and an \$80 transportation scholarship.
  - x. Interns included 16 students from all three public high schools on the island.
    - 3. Two Kapa'a High students, five Kaua'i High students, and nine Waimea High students.
  - xi. Five participating internship sites offered interns the opportunity to learn a type of agriculture of their preference.
    - 4. Internship sites: Lydgate Farms, Wailua Meat Co., Nonaka Farms, Kumano I Ke Ala, and Iwikua.

**AGRICULTURE (County Sunshine Markets)**

The Sunshine Market Program provides access for farmers to the public via produce sales events.

A. Objectives

- The objectives of the Sunshine Market Program include helping to promote and provide a venue for selling local farmers' produce from Kilauea to Kekaha.



B. Highlights

- During the start of the Covid-19 pandemic, all sunshine markets were closed due to CDC restrictions. Farmers were then serviced using other programming. Eventually, two markets were opened in areas that needed support. The Ag team managed to create a Kupuna Kare with Farmer Fare program during the closure to continue support of Farmers who had lost market areas for sales.
- Although the goal was to reopen all eight (8) markets by December 2020, due to the increasing number in COVID-19 cases, we have decided to push back the reopening of any additional market until 2022.
- In March of 2021, the County of Kaua'i passed Bill No. 2804 relating to Agriculture Zoning Districts amending the Comprehensive Zoning Ordinance to encourage and allow a multitude of agriculture and agriculture-related activities in the Agriculture Zoning District which has allowed some of our farmers to sell produce from their farms on a more regular basis.

Selected Statistics	CY 2018	CY2019	CY 2020
Sunshine Markets	8	8	2
Sunshine Market Farmers/Vendors	110	106	35*
Sunshine Market Annual Revenue	\$530,247	\$152,041	\$148,479

\*Due to COVID-19, majority of the farmers have either retired or found additional venues that they could sell from. Currently we have 35 active farmers in the Sunshine Markets. Inspections of farms will begin in October of 2021, allowing more farmers to return to the market and an opportunity for the markets to rebuild.

Figure 5: Sunshine Market Selected Statistics

**SUSTAINABILITY AND ENERGY PROGRAM**

A. Objectives

- The objective of the County’s Sustainability & Energy Program has historically been twofold: (1) to help the County lead by example by developing, adopting, and implementing sustainable practices and policies for county operations and the island community, and (2) manage and reduce the County’s fossil energy use through increased efficiency, conservation, and use of renewable energy.
- Goals for energy use reductions within County operations:
  - Electricity: Reduce County use by 30% by 2023 vs FY 2012 baseline (set in 2013)
  - Fuel Use: 100% renewable fuel use by 2035 (set in 2017)

B. Highlights

- The County received a Department of Energy “Energy Transition Initiative Partnership Project” (ETIPP) grant in the form of technical assistance roughly worth \$250,000 from the National Renewable Energy Lab. The lab will produce studies on transportation mobility data, emerging transportation

technology, and a fast charger network. This work will help us understand further how we can accomplish our General Plan goals to reduce greenhouse gas emissions in the transportation sector. The Office of Economic Development is leading this project and has convened major stakeholders, such as KICU, HDOT, and the Hanalei Initiative, as well as partnered with the Hawaii Natural Energy Institute.

- The Office of Economic Development staff continues to utilize Tableau software to produce data dashboards. In 'FY 21, we made improvements to our County electricity use dashboard, our County fuel use dashboard, and created a new Greenhouse Gas Inventory Dashboard. Additionally, staff created an economic recovery dashboard housed on the Kaua'i Forward website, helping to visualize the impacts of COVID-19 and how Kaua'i 's economy has responded.
- Program staff are members of multiple nation-wide and state-wide collaborative networks, including the Urban Sustainability Director's Network, the Four County Sustainability Network, Drive Electric Hawaii, the HACBED Resilience Network, and several convening's with the State Energy Office and four counties. These networks allow our staff to remain engaged in state-wide initiatives, policy conversations, knowledge-sharing, and potential procurement opportunities.
- Program staff, in collaboration with Hawaii Technology Academy (HTA), has developed a high school work-based learning course for the Fall 2021 semester. The course will guide students in developing creative climate solutions by exposing them to sustainability programs and projects happening on island. The course include presentations from different County staff (e.g. Kaua'i Transit, Solid Waste, Planning), site visits, utilization of the [KA+ platform](#), and a final project showcasing each student's solution for the community. The course is open to students from HTA, Kapa`a, Kaua`i High, and Waimea High Schools.
- We are currently off-track for meeting our 2023 efficiency goals: After five consecutive years of lower electricity use year over year, FY '20 was the first year where electricity use was slightly higher than the prior year. Despite this upset in the positive trend, the County managed to reduce electricity use again in FY '21, from FY'19 and FY'20 numbers, though, we will likely not make progress to reduce County electricity use by 30% by 2023 vs FY 2012 baseline until there are additional efficiency projects funded and implemented by the County. The Police Complex (3990 Kaana) and at Lihu'e Wastewater Plant are two of the best candidates to deliver larger savings.
- County electricity expense has dropped by roughly \$300,000 year over year as a result of lower electricity rates from KIUC. Figure six demonstrates the drop in cost of electricity and figure four demonstrates the annual electricity use of the County of Kaua'i.

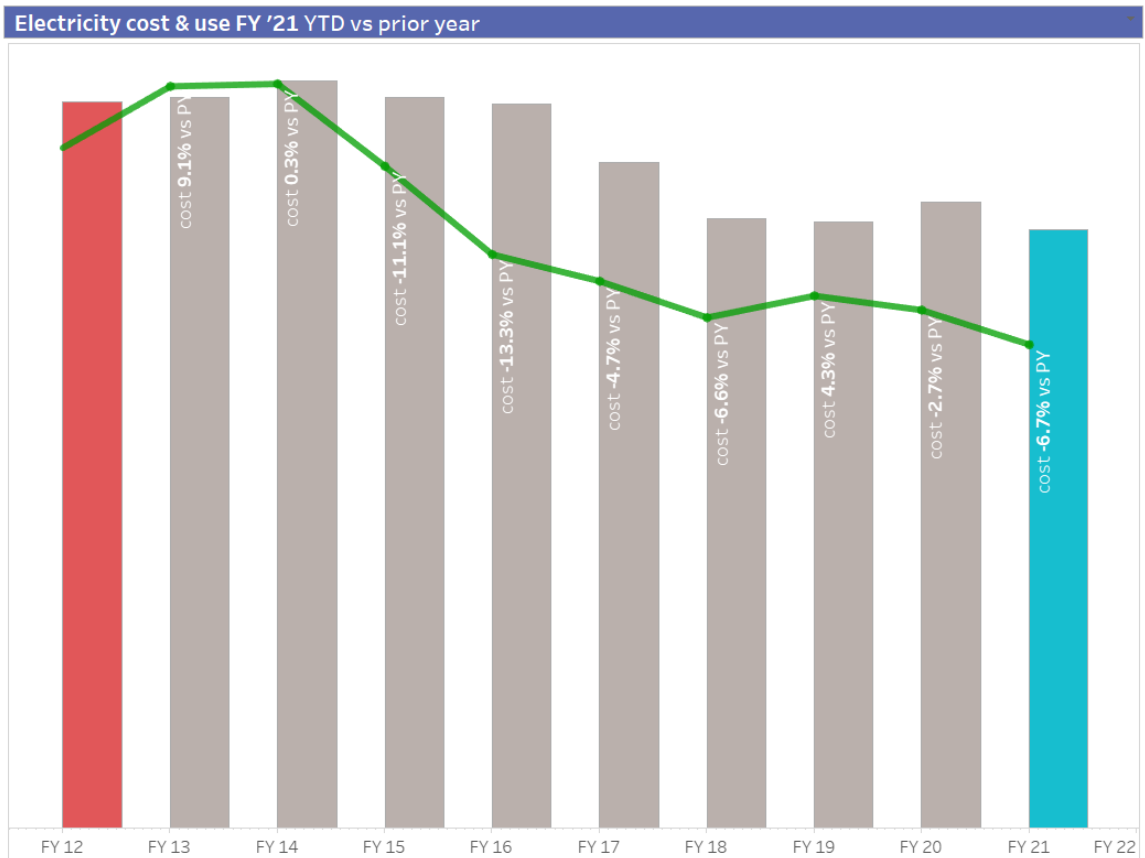


Figure 6: County of Kaua'i Electricity Cost and Use graph

Fiscal year	Usage (MWh)	Change in use v FY '12	Change in \$ v FY '12	Total Cost (millions)	savings vs. FY 12
FY 2021	10,145	-17.6%	-29.5%	\$3.73	\$1.56m
FY 2020	10,557	-14.3%	-26.8%	\$3.87	\$1.42m
FY 2019	10,352	-15.9%	-23.4%	\$4.05	\$1.24m
FY 2018	10,392	-15.6%	-26.5%	\$3.89	\$1.4m
FY 2017	11,165	-9.3%	-21.9%	\$4.13	\$1.16m
FY 2016	12,223	-.7%	-18.0%	\$4.34	\$0.95m
FY 2015	12,381	+6%	-6.6%	\$4.94	\$0.35m
FY 2014	12,612	+2.4%	+7.2%	\$5.67	(\$0.38m)
FY 2013	12,419	+9%	+7.2%	\$5.67	(\$0.38m)
FY 2012	12,312	n/a	n/a	\$5.29	n/a

Figure 7: Annual County Electricity Use

## **ADULT, DISLOCATED WORKER and YOUTH PROGRAM (WIOA)**

WIOA provides services to the workforce via the American Job Center.

### **A. Objectives**

- The objective of the WIOA program is to support reemployment and retraining.
- The objective of the One-stop operator/job center is Local administration of the three WIOA programs, that focuses on employment and training, through two service provider contracts:
  - Adult Program – State DLIR Workforce Development Division (WDD)
  - Dislocated Worker Program – State DLIR-WDD
  - Youth Program – As of March 2020, Hale 'Ōpio Kaua'i Inc has signed on as our Youth Provider through June 30, 2021.
- The 19-member volunteer Kaua'i Workforce Development Board (KWDB) under the new WIOA Mandated Act of 2014 was charged with policy and planning responsibilities. In cooperation with the Mayor, KWDB sets direction for workforce development utilizing as its foundation, the KWDB Strategic Local 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.

### **B. Highlights**

- Program highlights include the recruitment and onboarding of new board members and officers; continuation of Adult and Dislocated Worker Services with the Workforce Development Division; onboarding a new Youth Provider and receipt of funding for Rapid Response activities for Kaua'i County through June 30, 2021 in the amount of \$128,978;
- An OED Coordinator, Michelle Lopes, was brought on to manage the phones, appointments and influx of job seekers. Her addition has greatly improved services to the community. Her ability to do outreach to local businesses, assist with the Rise to Work program, meet personally with clientele and create relationships, has been nothing short of exemplary. Michelle has assisted in finding jobs for clientele, helped with many Unemployment Insurance issues and has been the "face" of the AJC.
- Covid 19 Pandemic created many challenges for the WIOA program. The AJC is operating by appointment only to job seekers between 7:45am-4:30pm Monday through Friday. Since November 2020, we have seen a 150% increase of participants (20/November-85/January) coming to the Job Center requesting services, seeking assistance with signing onto Hire-net, creating resumes and filling out job applications.
- Our Workforce Development Team and Kaua'i Community College partnered up to provide Certificate courses and training for approximately 50 participants. The courses ranged from Accounting Skills for Supervisors, Skills

for Admin. Assistants, Business writing, Leadership, Guard Card licensing and Heavy equipment operation.

- As the fiscal year came to an end and after a very stressful year for the board members who had difficulty attending meetings and participating in the board, it was proposed that the County of Kaua'i Workforce Development Board fall under the O'ahu Workforce Development Board so that administrative duties and funding could be consolidated. The County would maintain the AJC and provide a free location to partners and maintain a seat on the Workforce Development Council for the Mayor but not administer the WIOA grant.

### **BUSINESS INNOVATION AND SUPPORT PROGRAMS (Business)**

#### **KAUA'I MADE**

The Kaua'i Made is a program created by the County of Kaua'i to officially represent products made on Kaua'i, by Kaua'i people, and are authentic to Kaua'i .

##### A. Objectives

- The goal of the Kaua'i Made Products sustainability plan is to build upon the foundation of the program launch and establish priorities for the lasting success of this important program.
- Increase the sale of products grown, created or manufactures in and by the people of Kaua'i, to increase the number and variety of products available on Kaua'i and elsewhere, to increase the visibility to Kaua'i product in retail establishments and on the worldwide web, and to deliver information on how to purchase Kaua'i Products to visitors, residents and others through a variety of marketing vehicles.

##### B. Highlights

- Due to COVID yearly Holiday Fair was cancelled, but multiple smaller COVID safe events were scheduled to provide avenues for vendors.
- A new social media campaign was designed to support Kaua'i Made Businesses.
- A new membership growth program was created.
- Funding was applied for and received to pilot a Kaua'i Made focused store in Lihu'e.

### **ENTERPRISE ZONE PROGRAM (Business Innovation)**

The Enterprise Zone program is a State-County partnership lead by DBEDT. OED serves as the EZ Coordinator for Kaua'i and works with DBEDT to recruit businesses for the program. The program allows local businesses that are growing and creating jobs on island to benefit from tax savings.

##### A. Objectives

- To recruit and educate local businesses on the benefits of joining the Enterprise Zone program.

B. Highlights

- All of the Enterprise Zones remain active on Kaua'i.
- The Business Innovation Coordinator worked with businesses who are already part of the program to understand how they can remain in the program even if they experienced setbacks due to COVID-19.
- The business innovation Coordinator educated businesses on the benefits of the Enterprise Zone program. Additional local businesses have enrolled.

**FUNDING PURSUIT PROGRAM (Business Innovation)**

*National Endowment for the Arts Our Town Grant*

The Office of Economic Development, in partnership with the Hawaii Alliance for Arts Education and the Rice Street Business Association applied for and received an “Our Town” grant from the National Endowment of the Arts.

A. Objectives

- To support Līhu'e Rice and Kress Street Creative Community Project. County government, business associations, community organizations, and artists will deliver plans for the role of creativity and arts in the reinvigoration of Rice Street and Kress Street in Līhu'e. The Our Town grant would support networks within and between the partners, establish communication, and collaboration around shared goals. The project is in coordination with the US DOT Transportation Investment Generating Economic Recovery (TIGER) grant project to develop Rice Street in Līhu'e Town Center and plans to transform an historic SH Kress Building into an arts center. The Our Town grant will also support Rice Street Association to establish staff positions to coordinate and hire excellent artists for existing public events including block parties, parades, and new arts events at street fairs, and farmers markets in and around the arts center.

B. Highlights

- OED actively worked with the Rice Street Business Association to manage the projects funded by the Our Town grant, including Nirmanafest.

*Environmental Protection Agency Grant for the Kekaha Mill Project*

A. Objectives

The objective is to apply for help from the EPA for the Kekaha Community via their partner, Kaunalewa, to obtain funding from the EPA for outreach to the Kekaha Community and to begin first steps needed to clean up the Mill property.

B. Highlights

- Funding awarded. Contracting to complete by October 2021 when project would start. Note: During this time, ownership of the mill

changed and we are actively supporting the coming together of the interested parties.

### **KAUA'I RISE INITIATIVE (Business Innovation)**

The County of Kaua'i Office of Economic Development launched the Kaua'i Rise Initiative. This program provided business mentoring to support small and emerging businesses on Kaua'i. The purpose of the Kaua'i Rise Initiative is to support innovation and job creation on the island. In addition to individual business mentoring, the program provided funding for local feasibility studies.

#### **A. Objectives**

- Through individual mentoring and support, the business mentor worked with local businesses and entrepreneurs to help them pivot and adapt during the pandemic and to explore opportunities in new industries, enable job creation by expanding current small businesses, and contribute to overall economic growth on the island.

#### **B. Highlights**

- OED received a grant of \$55,000 from the USDA Rural Business Development Grant to provide business mentoring to local businesses on Kaua'i.
- OED contracted a part-time business mentor to join the initiative
- The business mentor has started mentoring a few local businesses.
- The program included feasibility studies to help inform the direction of emerging industries and businesses on the island.

## **COVID-RELATED PROJECTS**

### **KAUA'I ECONOMIC RECOVERY STRATEGY TEAM (KERST)**

In March 2019, the Office of Economic Development was charged with creating the Kaua'i Economic Recovery Strategy Teams (KERST), including an Executive Team lead by OED and eight industry sector teams. These teams provided insight into the needs of each of our main industry sector on Kaua'i and guidance on how to assist those industries during the COVID-19 pandemic response.

#### **A. Objectives**

- The teams were tasked with creating short-term and long-term economic recovery recommendations in response to the COVID-19 pandemic and working collaboratively to implement those recommendations.

#### **B. Highlights**

- A total of 45 recommendations were created by the KERST teams. The full report and list of recommendations can be found at [Kaua'i forward.com](http://Kaua'i.forward.com)
- Many of the recommendations were implemented within the year including:
  - Financial Assistance Programs such as the Small Business Boost Grant and a Zero-interest loan program
  - Small Business support, including the Aloha for Kaua'i campaign

- Studies on Broadband Infrastructure and Data Center feasibility

### **KAUA'I FORWARD WEBSITE**

The Kaua'i Forward Website was created by the Office of Economic Development to be a resource to the community during the COVID-19 pandemic. The website is meant to be a one-stop-shop for news, information and resources. It contains a comprehensive list of financial, food, health and other resources for residents and businesses.

#### A. Objectives

- The objectives are to provide timely and accurate information for Kaua'i residents regarding COVID-19 related news and resources.

#### B. Highlights

- The website is the primary source of information for several programs such as the Rise to Work program, the CARES RFP, and the Small Business Boost Grant, the CRUA program.
- We continue to send out an email newsletter to keep residents informed of news and updates shared on the website.
- Since its initial launch, we expanded the contents of the website to include information for travelers and additional content for residents.

### **RISE TO WORK PROGRAM**

The Office of Economic Development launched the Rise to Work program in Fall 2020 with partnership from ProService Hawaii. The program

#### A. Objectives

- The purpose of the Rise to Work program is to provide temporary job opportunities to displaced workers on Kaua'i and to support local businesses and nonprofit organizations expand their capacity and grow their teams without added payroll costs.

#### B. Highlights

- OED designed and successfully launched the Rise to Work program.
- During the first round of the Rise to Work program, which launched in Fall 2020 using funds from the CARES Act, the program employed approximately 250 employees with 100 employers.
- OED worked with partners ProService Hawaii and Kaua'i Government Employees Federal Credit Union to secure private outside funding for a second round of Rise to Work in 2021. Using outside funds, OED staff helped manage the second round of Rise to Work, which employed nearly 400 employees with approximately 150 employers.
- Using funds from the American Rescue Plan Act, nonprofit employers who participated in Rise to Work 2021 were offered an extension to continue funding their employees until Sept 30, 2021.

### **OED COLLABORATIVE PROJECTS**



## **TRANSPORTATION WEBSITE**

The County of Kauaʻi’s Office of Economic Development created a new website, [GetAroundKauaʻi .com](http://GetAroundKauaʻi.com), aimed at informing both visitors and residents of the various transportation options available on Kauaʻi.

### A. Objectives

- The objectives are to provide timely and accurate information for Kauaʻi residents and visitors regarding transportation options.
- The new website was developed in response to the current rental car shortage on Kauaʻi, but has a broader goal of providing people with the resources they need to make more sustainable transportation choices.
- The intent of this new website is to show visitors that they can navigate our island without renting a personal vehicle every day of their trip, and it will continue to be improved for residents who are exploring other modes of travel as well.

### B. Highlights

- The website was created in partnership with HTA and implements actions in the Kauaʻi Destination Management Action Plan.
- Since its initial launch, we expanded the contents of the website to include “regional walking guides” and “things to do on Kauaʻi without a vehicle.”
- We plan to develop an interactive, layered map using ARC GIS to highlight the public and private transit and shuttle routes on Kauaʻi , walking routes, biking routes, and safe beaches to visit without a car.

## **OED STAFF TEAMS**

OED prompted a new initiative this fiscal year and implemented multiple work-based teams to move programs, projects, and priorities forward.

### A. Objectives

- The objective for the OED teams was to utilize each individual staff member’s unique and diverse skills and perspectives and bring them together to create the most successful program or work product.
- The OED Director’s goal was to begin to break down the standard government silo’s by starting in our own office and working together.

### B. Highlights

- The teams include: Grant Team, Business Team, Agriculture Team, Equity Team, Tourism Team, Data Team, Admin Team

**ADAPTATION PLAN IN COLLABORATION WITH MULTIPLE AGENCIES**

Several members from the Office of Economic Development are on the County Resilience team, working with the Planning Department, Emergency Management Agency, and Mayor’s Office to develop a County Adaptation Plan which will begin in ‘FY 21.

**IV. BUDGET**

<b>Expense Type</b>	<b>FY 2020 (Budget)</b>	<b>FY 2020 (Actual)</b>
Equivalent Personnel	9	9
Salaries & Wages	1,088,304	958,079
Operations	1,594,923	1,532,770
Equipment	0	0
<b>Total</b>	<b>2,683,227</b>	<b>2,490,848</b>
<b>Other OED Funds</b>	<b>FY 2020 (Budget)</b>	<b>FY 2020 (Actual)</b>
Kaua’i Made	157,766	92,050
Kekaha Host Community Benefit	226,195 plus rollover	241,468
2020 CPEP	70,000	40,964
2020 Harbor Greetings	46,754	1,316
2020 Summer Ag. Internship	25,000	25,000
2020 Census	11,000	5,914
2020 Rapid Response	128,978	0
2020 CARE Small Business	5,000,000	5,000,000

**V. ACCOMPLISHMENTS/EVALUATION**

The Office of Economic Development continues to reflect and evaluate how we fit into the County and community, and was able to accomplish a lot of newer and older County plan goals in FY ‘21 as a result of reinvigorated staff and innovative programs. Through it all, we remind ourselves who we are working for, and OED worked to prioritize residents and businesses in the storm of much economic uncertainty and local economic downturn as a result of the pandemic.

OED actively responded to the pandemic, reprioritized it’s grant program, initiated new County plans, developed workforce programs and economic relief programs for residents and businesses, spurred local business support, worked on improving our film program, refocused attention back to agriculture and providing resources and launching programs for small-medium sized farmers, worked to transition the visitor industry to a more

sustainable tourism model in light of the pandemic, got staff members into need-based roles, and pivoted staff members to work in OED teams and away from government silos.

Many OED staff members consistently worked with the Kauaʻi Emergency Management Agency Operations team to respond to the COVID-19 pandemic while balancing their regular work load. Staff members were notably part of the County modified quarantine process, the KEMA call center, and COVID-19 testing center.

OED launched an inaugural Innovation Grant that replaced the routine sector specific OED grant program. The goal of this specific grant program was to provide funding for innovative projects to generate short-term and long-term economic growth and diversification on Kauaʻi . Grant applicants were required to have identified a partner to work with to complete the project. The bulk of the funds went to agriculture projects.

OED is working in partnership with the Kauaʻi Economic Development Board on the renewal of the Comprehensive Economic Development Strategy, which will be completed in FY '22. The six CEDS areas of focus include: sustainable practices and technology; food and agriculture; health and wellness; visitor industry management including natural resources conservation and preservation; and science and technology.

OED continued to build our team, expanding our focus on data by hiring an Arc GIS data specialist and contracting a data-focused AmeriCorps VISTA, as well as breaking up the Energy/Sustainability Coordinator role into two positions.

We expect to continue building the capacity of our team to help our community rebuild an economy of balance. We will continue to work on projects that accomplish goals laid out in our County plans, and generate new plans that pave the way for our priorities moving forward. We are grateful to the administration for the room to explore and test new waters.