

# **Kaua'i Comprehensive Economic Development**

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## **Strategic Plan 2022-2026**

**NOVEMBER 18, 2022**

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**N&K CPAs, Inc.**

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# MANY VOICES, ONE VISION

## Kaua'i County 2022-2026 Comprehensive Economic Development Strategy

*Developed and designed by*  
The Kaua'i Economic Development Board –  
[www.kedb.com](http://www.kedb.com)

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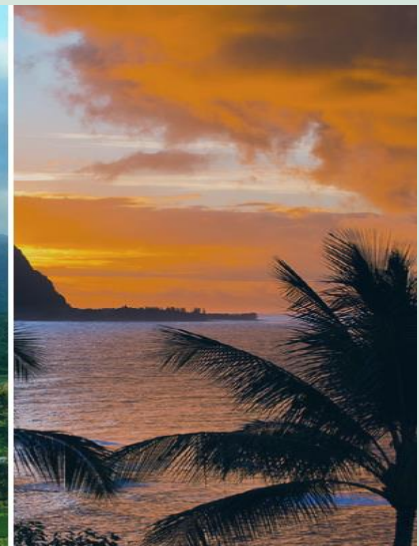
*Sponsored by*  
Office of Economic Development-County of Kauai  
Kaua'i Economic Development Board

### Kaua'i County CEDS Steering Committee

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Kaua'i Filipino Chamber of Commerce  
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Kaua'i Economic Development Board  
Kaua'i Visitors Bureau  
Kaua'i Chamber of Commerce  
County of Kaua'i Office of Planning  
Hawai'i Technology Development Corporation  
Niu Pia Land Company  
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Small Business Development Corporation – Kaua'i

A very special MAHALO to Jackie Kaina, Executive Director Kaua'i Economic Development Board, for all your guidance, assistance and support as part of the planning team.



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## Kupa‘a Kaua‘i – Kaua‘i Forward!

The Kaua‘i 2022-2026 Comprehensive Economic Development Plan (CEDS) started in the summer 2021, during the middle of the COVID-19 pandemic, as an update of the 2016-2020 CEDS and to provide the County of Kauai with an economic plan addressing the current COVID-19 crisis. The CEDS Plan Steering Committee took as its theme – ‘*Kupa‘a Kaua‘i – Kaua‘i Forward!*’ – aligning with the County’s pandemic recovery plan to come together as a community to work collaboratively to rebuild, restart and re-energize the future of Kaua‘i<sup>1</sup>.

It brought together a broad spectrum of community leaders from business, government, education, nonprofits, technology, and agriculture to exchange ideas and to discuss common challenges and opportunities for making Kaua‘i County a better place.

The Kaua‘i CEDS update for 2022-2026 maintains the focus of the previous CEDS plans on diversifying Kaua‘i’s economy by focusing on 6 industry clusters – Food and Agriculture; Renewable Energy Sustainable Technologies and Practices; Science and Technology; Visitor Industry Management and Preservation; Health and Wellness and Arts and Culture.

The CEDS process enabled networking opportunities among these same community members during which they were able to discuss and debate issues important to the Kaua‘i County.

During the 7 months in which the CEDS plan development process unfolded, a total of 25 virtual meetings were held focusing on topics such as the economic growth, tourism management, agricultural practices, infrastructure improvements, leveraging technology, strengthening healthcare, transportation alternatives, and climate change. The Kauai CEDS plan incorporated all the economic data available at that time. After the Kauai CEDS plan was developed additional economic data became available. The updated economic data is provided in an addendum to the Kauai CEDS plan for informational purposes.

The 2022-2026 CEDS plan will act as the roadmap and eventual framework for assessing and achieving progress toward the economic goals that the county’s stakeholders have collectively outlined.

Over the next five years, the Kaua‘i County CEDS Steering Committee, industry clusters and the Kaua‘i Economic Development Board will monitor the progress and continue building the partnerships necessary to achieve the CEDS goals.

In the spirit of ‘*Kupa‘a Kaua‘i – Kaua‘i Forward!*’, this document intends to serve as a tool for better communication and collaboration toward the work of building a more thriving, equitable and sustainable regional economy.

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<sup>1</sup> Kupa‘a Kaua‘i: A Unified Vision for Our Island’s Recovery, accessed 15 June 2021, <<https://kauaiforward.com/economic-recovery/>>

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## What Is a CEDS?

The Comprehensive Economic Development Strategy (CEDS) contributes to effective economic development in America's communities and regions through a locally-based, regionally-driven economic development planning process.<sup>2</sup> It is a strategy-driven plan for regional economic planning. CEDS serves as a means to engage community leaders, leverage the involvement of the private sector, and establish a strategic blueprint for regional collaboration.<sup>3</sup>

The CEDS provides a vehicle for individuals, organizations, local governments, institutes of learning, and private industry to engage in a meaningful conversation and debate about what capacity building efforts would best serve economic development in the region. The EDA recognizes Kaua'i County as a federally designated Economic Development District (EDD).

### What's in It?

This CEDS document contains the boiled-down components of a months-long planning process that took place during 2021.

The **Economic Resilience** section identifies the county's key vulnerabilities and outlines existing and needed resilience-building measures for avoiding or rapidly recovering from shocks to the state and national economies.

The **Summary Background** was developed by collecting and analyzing a variety of data that provide a quantitative understanding of the county's economy and establishes a baseline for the key indicators that will be used to measure future progress.

The **SWOT Analysis** is an aggregation of the Strengths, Weaknesses, Opportunities and Threats facing our economy that were identified through meetings with economic development professional working groups.

The **Goals, Strategies and Tactics** section is built on findings from the summary background and the SWOT analysis. It also embodies numerous plans of industry clusters with the aim of establishing "umbrella" goals that foster collective impact.

The **Evaluation Framework** establishes the key indicators that allow for measuring progress toward the CEDS goals and recommendations for plan implementation.

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<sup>2</sup> U.S. Development Administration, "Overview," *CEDS Content Guidelines*, accessed September 2021, <https://eda.gov/ceds/>

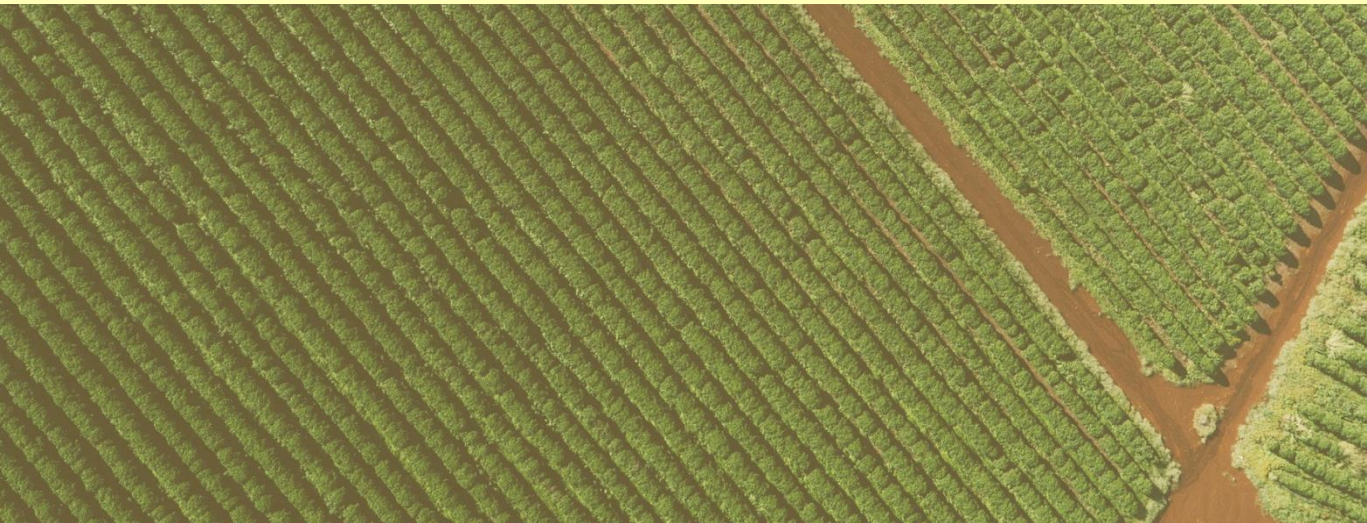
<sup>3</sup> U.S. Development Administration, "Overview," *CEDS Content Guidelines*, U.S. Development Administration, accessed September 2021, <https://eda.gov/ceds/>

## Glossary of Terms

The following are the names of organizations that have been abbreviated or terms that may require further clarification.

APRN	Advanced Practice Registered Nurse
CEDS 101	Online training about the CEDS process.
Cluster	A target industry identified because of their existing and potential impact on the economy and quality of life in the County
CNA	Certified Nursing Assistant
DBEDT	Department of Business, Economic Development and Tourism
DLIR	Department of Labor and Industrial Relations
DOE	Department of Education
JIT	Just in time
KCC	Kaua'i Community College
KCTC	Kauai Creative Technology Center
KEDB	Kaua'i Economic Development Board
KCFB	Kaua'i County Farm Bureau
KIUC	Kaua'i Island Utility Cooperative
KOED	Kaua'i Office of Economic Development
Kupuna	Grandparent, ancestor, and/or honored elder
KVB	Kaua'i Visitors Bureau
NP	Nurse Practitioner
OCET	Office of Continuing Education and Training
PBL	Project-based learning
PMRF	Pacific Missile Range Facility
Steering Committee	Representatives from the clusters who guide the planning process.
STEM	Science, Technology, Engineering and Mathematics
STEAM	Science, Technology, Arts, Engineering and Mathematics
SWOT	Strengths, Weaknesses, Opportunities and Threats
UH	University of Hawaii
WBL	Work-based learning

# ECONOMIC RESILIENCE



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## ECONOMIC RESILIENCE

The U. S. Economic Development Administration (EDA) defines economic resilience in the context of economic development as inclusive of three primary attributes: the ability to recover quickly from a shock, the ability to withstand a shock, and the ability to avoid the shock altogether. Our Economic Resilience discussion describes how Kaua'i County demonstrates or will demonstrate these attributes. Our Economic Resilience strategy is informed by and guided by the

- Kaua'i County General Plan 2018
- Kaua'i Comprehensive Economic Development Strategy
- Kaua'i Economic Recovery Strategy Team (KERST)
- Report to the County of Kauai Commission on the Status of Women on the Resolution Supporting and Urging Equity, Inclusion, and Social and Economic Justice Principles in COVID-19 Related Recovery Initiatives<sup>4</sup>

### The Ability to Recover from a Shock

The COVID-19 global pandemic significantly impacted Kaua'i County's economy<sup>5</sup>, creating the need for an immediate response. In mid-March of 2020, Mayor Kawakami convened an Executive Team who began meeting daily to assess the needs of Kaua'i during COVID-19. On April 1<sup>st</sup>, eight sector teams were launched. The goals<sup>6</sup> of the Kaua'i Economic Recovery Strategy Teams (KERST) were:

- To provide recommendations for actions that can be taken immediately to respond to the COVID-19 Pandemic and its impact on Kaua'i's economy.
- To begin the development of a longer-term vision of Kaua'i as part of a post-Covid-19 recovery.

These eight sector teams represent various industry sectors on Kaua'i – *Agriculture, Business, Construction and Public Works, Education, Finance, Public Health, Future Sustainability and Technology, and Tourism.*

Each team submitted a list of initial recommendations which were shared amongst the Sector leads for review and then compiled into a preliminary report. The report was shared with Mayor Kawakami and with members of the Kaua'i Economic Recovery teams to get feedback and support. There were several themes that emerged:

- Supporting local businesses
- The importance of communication
- Broadband and improved infrastructure is critical for several industries
- The longer term need to diversify our economy

The County launched additional programs designed to support the financial needs for residential and business owners. These programs included:

- Launching a "*Kaua'i Forward*" website as a "one stop shop" for resources and information.
- *Kaua'i Rise Program* that provides mentoring support to growing businesses on Kaua'i.
- The County awarded *CARES Act Project Grants* to local non-profits.
- *Small Business Boost Grants* of \$7,500 were awarded to local businesses for COVID-19 related expenses.

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<sup>4</sup> Commission of the Status of Women, Accessed September 2021, <[https://kauai.gov/Portals/0/Boards\\_Commissions/StatusOfWomen](https://kauai.gov/Portals/0/Boards_Commissions/StatusOfWomen)>

<sup>5</sup> See the Economic Indicators section of this report for details.

<sup>6</sup> Kupa'a Kaua'i *A Unified Vision for Our Island's Recovery, Together let's move Kaua'i Forward.* <https://kauaiforward.com/>

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The County recovery efforts results were significant. Following are examples of some of the outcomes:

- Kaua'i County maintained the lowest daily new COVID-19 cases in the State during beginning in March 2020 and continued into the second quarter of 2021.<sup>7</sup>
- Kaua'i Police Department in partnership with Kaua'i County Housing Agency (KCHA), has awarded Women In Need (WIN) a grant of \$500,000 to provide housing support to houseless individuals and families.<sup>8</sup>
- In May 2021, the County launched The Emergency Broadband Benefit program, a temporary FCC program to help households struggling to afford internet service.

### The Ability to Withstand a Shock

The ability for Kaua'i County to withstand the economic shock brought about by COVID-19 rests in large part on its continuing efforts to diversify the economy around the industry sectors identified on April 1st. Beginning with the 2005 CEDS Plan, Kaua'i County embraced the idea that economic growth cannot rest on one industry. The county pursued many initiatives to optimize economic diversity. For Kaua'i's economy to be more resilient and less dependent on a single industry, there will need to be a diversity of living-wage jobs in different sectors. These jobs must be supported by a skilled and educated workforce. Building on the 2005 CEDS, the 2016-2020 CEDS sought to continue to foster a diversified economy. Six target industry clusters were identified as promising areas for growth. They are

- Food & Agriculture
- Sustainable Technologies & Practices
- Science & Technology
- Health & Wellness
- Sports & Recreation
- Arts & Culture.

These six clusters<sup>9</sup> were selected because of a variety of factors: their size in terms of number of jobs and/or earnings, the amount of current industry observed, and/or the estimated potential for growth. During a recent online survey of the cluster participants, when asked about cluster accomplishments during the 2016-2020 plan, respondents provided the following feedback.

### Science Technology and Practices

- 1) "Leadership by Kaua'i energy projects seen as a benchmark nationally and referenced internationally, helping to open up funding and technical resources to Kaua'i and Hawaii."
- 2) "Conception and support by our county, state and federal representatives / public leaders."
- 3) "The UH system and especially KCC emphasizing and developing ST&P programs."

### Food and Agriculture

- 1) "Technology tools have improved water usage and conservation."

### Science and Technology

- 1) "Working from home has helped S&T workers stay engaged."
- 2) "The pandemic brought key talent and leadership to Kaua'i to enable the next steps of growth on Kaua'i in technology."

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<sup>7</sup> State of Hawaii – Department of Health Disease Outbreak Control Division | Covid-19, accessed August 2021  
<<https://health.hawaii.gov/coronavirusdisease2019/>>

<sup>8</sup> Kupa'a Kaua'i *A Unified Vision for Our Island's Recovery, Together let's move Kaua'i Forward*, accessed August 2021,  
<<https://kauaiforward.com/>>

<sup>9</sup> 2016-2020 CEDS Plan, p. 18

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- 3) “Showed many businesses that work location is not as important as key talent. I have spoken with many C level executives who have said that the remote work environment is primed to level the field of where people work.”

#### Visitor Industry Management and Preservation

- 1) “People realized we had to become more aina (land) based.”
- 2) “Our foundation is solid.”

#### Arts and Culture

- 1) “Increased job growth in the music, art education and marketing/photography.”

#### Health and Wellness

- 1) “Shift toward more wellness has been addressed and focused on; need to make food/ housing more affordable to help our residents shift their direction of health and wellness.”

#### The Ability to Avoid the Shock Altogether

The ability to avoid the shock altogether, while in some senses unavoidable, will rest in large part on the quality of planning for the future and acting on those plans. The Kaua‘i Kakou General Plan 2018<sup>10</sup> sets forth the vision, goals and specific policies to help the County avoid the shock altogether. Goal #3 in the General Plan, *A Healthy and Resilient People*, seeks to increase the resilience and vitality of Kaua‘i communities and promote better health outcomes through improving the natural, built, and social environment. This goal speaks to the importance of achieving resilient communities “understanding their strengths and vulnerabilities, and having resources and networks that enable self-sufficiency in responding to changes”. Having weathered multiple disasters, Kaua‘i’s residents have a heightened awareness of the need to prepare for and recover quickly from disruptive events. This awareness is an asset that can be employed in planning for other hardships due to climate change, economic fluctuations or future pandemics.

Self-sufficiency is another aspect of resiliency. This includes increasing local food production and crops for fuel and fiber. It means transitioning to renewable energy sources rather than relying on imported fossil fuels. It means hardening key infrastructure and siting it and other development away from vulnerable areas over time. Resiliency also requires strong community fabric. Factors that erode community fabric include: the high cost of living; loss of opportunities for youth; residents priced out of the housing market; lack of common gathering areas; and sprawling development which weakens our town centers. The General Plan addresses these concerns through policies and actions for revitalizing towns and encouraging affordable housing. Finally, resilience needs a strong and diverse economy. Workers must have access to living-wage employment and opportunities for advancement. Kaua‘i’s heavy reliance on the visitor industry — from the number of jobs supported by visitor spending to the percentage of real property revenue generated from resort uses — is considered a threat to resilience. The General Plan’s policies and actions support renewal, rather than expansion, in the visitor industry, strengthening of the agricultural sector, and economic diversification.

The 2022-2026 CEDS is designed to sustain and grow the progress being made as a result of the previous CEDS; continue the ongoing efforts to mitigate the effects of COVID 19; and, create and achieve new goals that support the economic vision set forth in the Kaua‘i General Plan.

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<sup>10</sup> Kauai Kakou *Kauai County General Plan 2018*, accessed August 2021, <<https://plankauai.com>>

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## INDUSTRY DIVERSIFICATION

Diversification efforts outlined and successfully launched from the previous CEDS should build on their momentum and continue to evolve to meet the needs of **KAUA'I**'s business community.

The **KAUA'I** Creative Technology Center, Kilauea Agricultural Center – Aina Ho'okupu O Kilauea, Go Farm, and the **KAUA'I** Performing Arts Center are just a few examples of initiatives and organizations that aim to develop a culture of diversification, collaboration and support. They work together to retain existing businesses, foster new businesses and encourage businesses to diversify their operations.

Over the next five years, as existing diversification tools continue to evolve, continued focus should be given to the six economic clusters identified in the previous CEDS plan, along with the new Visitor Industry Management & Preservation cluster. The benefits of decreasing reliance on a single industry – tourism - make diversification a promising endeavor worthy of investment.

Leveraging available technology in the agricultural space *reduces labor costs while increasing crop quality and attracting a younger generation of workers*. Expanding and increasing local food production including *more farm to table initiatives* will help people with food insecurities and decrease reliance on imports. Creating and strengthening platforms like **KAUA'I** Community College to draw *technology talent* together will strengthen the community and grow and retain local talent. Continuing to expand the use of new technologies like *underwater turbines that generate electricity without harming the environment* will create jobs and attract talent.

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## INNOVATION

On Tuesday November 24<sup>th</sup>, 2020 the County held an economic summit<sup>11</sup> to discuss innovative ideas to solve community problems. Community leaders from diverse sectors of the county economy came together to share their ideas.

Attendees' discussions included innovative solutions to *climate change, traffic congestion, and tourism*. Following are descriptions of these ideas:

- Climate Change. Local companies on Kaua'i developed unique ideas and products including:
  - i. A water heater that interacts and communicates with the grid regarding energy usage to allow for better control.
  - ii. An internet platform connecting local farmers directly with residents and restaurants. This technology helps expand sales for farmers by allowing them to go directly to the business. Demand by households for farm to table products is up 3000%.
  
- Transportation.
  - i. A community-based and managed shuttle that during its first nine months of operation moved 70,000 people and removed 30,000 cars.
  - ii. Bike path designs that help bring customers to businesses.
  - iii. Preparing for autonomous vehicles by developing traffic systems that communicate with users – pedestrians, bikes, cars and buses.
  - iv. Improved road lane striping techniques to improve safety and usage.
  
- Tourism.
  - i. Regenerative tourism – gives back more than it takes.
  - ii. Regenerative tourism focuses on the supply-side, host communities and ecosystems, rather than just the visitors' needs and wants of the market-demand approach.
  - iii. Regenerative tourism management enables a place to be left better than it was found
  - iv. Part of developing regenerative tourism will be the reshaping of the Kaua'i tourism brand.
  
- Agriculture
  - i. Use technology to improve farm productivity
  - ii. Using drones to for fine-scale monitoring and mapping of yield and crop parameters is being evaluated.

A continued focus on innovation in the CEDS by all clusters will strengthen and inform the county's efforts towards economic resilience and diversification.

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<sup>11</sup> *Kaua'i Forward*, accessed August 2021 <<https://kauaiforward.com/economic-summit/>>

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## ENTREPRENEURSHIP

Kaua'i County provides economic assistance to entrepreneurs through a variety of programs<sup>12</sup>.

- Hawai'i Found Her, an entrepreneur accelerator program focusing on women led businesses across the islands in the fall of 2021. The pilot program is tailored to the needs of Native Hawaiian, Pacific Islander, and/or Asian women and mothers in five core markets of Hawai'i's economy: Tech, Fashion, Health & Wellness, Food Systems & Restaurants, and Keiki & Education.
- Buy Hawaii, Give Aloha is an initiative launched by The Department of Business, Economic Development and Tourism (DBEDT) to showcase products made in Hawaii. Buy Hawaii, Give Aloha supports local businesses by providing a free platform for kama'aina and visitors to find their favorite brands and discover new products.
- Kaua'i E-Commerce and Digital Marketing Assistance Grant - Kaua'i-based companies are invited to apply for co-matching funds issued by Innovate Hawaii to support their e-commerce and digital marketing initiatives.
- Shuttered Venue Operators Grant provides financial assistance to support eligible live venues and performing arts organizations.

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<sup>12</sup> *Kaua'i Forward*, accessed August 2021, <<https://kauaiforward.com/business/>>

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## DIVERSITY, EQUITY AND INCLUSION

The Kaua'i Kakou General Plan 2018 identifies as one of its goals "An equitable place, with opportunity for all<sup>13</sup>." Opportunity is about equal access to a high quality of life, which includes adequate housing, employment, and pathways to upward mobility. The general plan indicates that Kaua'i's high cost of living remains the greatest challenge to opportunity. The majority of new and available housing is not affordable to the average working household.

Reversing this trend means ensuring that Kaua'i residents, regardless of factors such as geographic location, age, race, gender, and economic status, have access to housing that is adequate, employment that can sustain their needs, essential services, transportation options, and opportunities for recreation and enjoyment of shared spaces. Following are recent examples of how the County has supported women, children, the houseless community and kupuna through the Coronavirus Aid, Relief, and Economic Security Act, also known as the CARES Act<sup>14</sup>.

- Seven grants totaling \$1,279,816 were awarded for food distribution programs to support kupuna and/or houseless populations. These providers allowed for those most vulnerable to continue to provide healthful food to their families and themselves during this economic and health crisis.
- A \$360,000 grant was awarded to the non-profit Women in Need. This grant enabled them to provide services for 192 households for rent/mortgage assistance and 18 families for childcare subsidy to Kaua'i residents who suffered a loss of income due to the COVID-19 pandemic.
- The Rise to Work program was created by the County of Kaua'i in partnership with ProService Hawaii to help displaced workers on Kaua'i connect to temporary job opportunities with local employers. Participants in the program receive weekly pay, free health insurance benefits and the opportunity to learn new skills and gain professional connections. Positions are funded by the program for 12 weeks. The 2021 Rise to Work launch supported 365 employees and 150 employers.

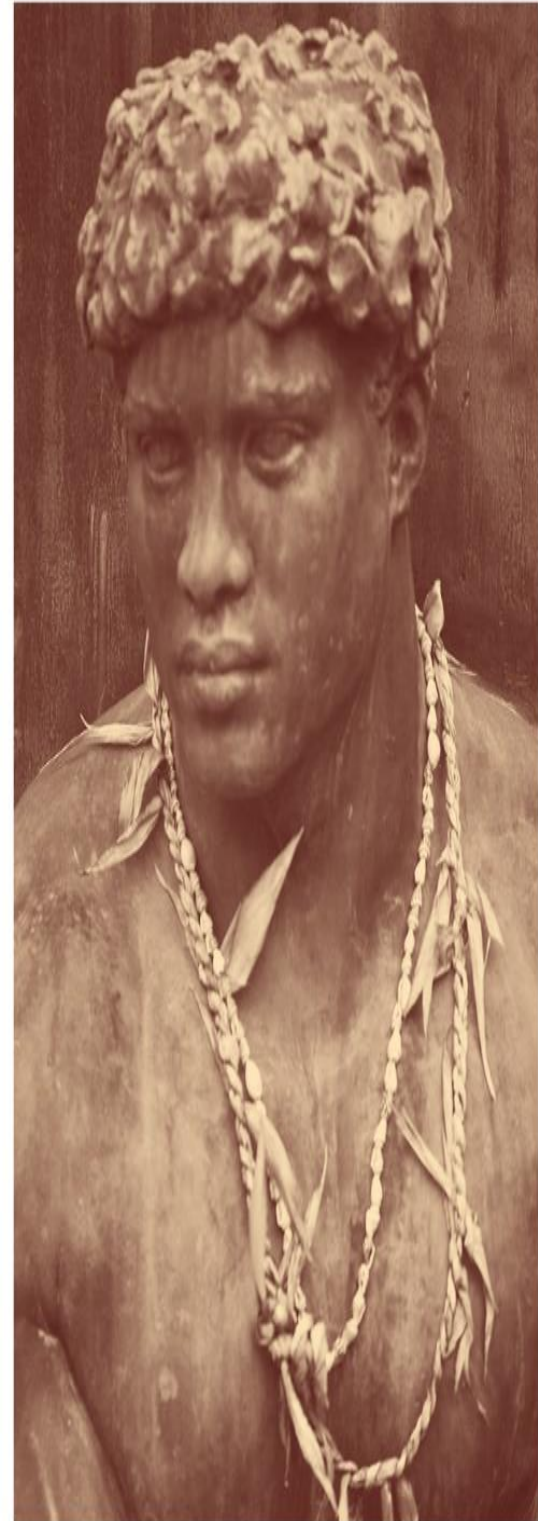
The County of Kaua'i is a proud partner of the Resolution Supporting and Urging Equity, Inclusion, and Social and Economic Justice Principles in COVID-19 Related Recovery Initiatives and looks forward to continuing to work with the Kaua'i Commission on the Status of Women.

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<sup>13</sup> Kaua'i Kakou General Plan 2018, accessed July 2021, < <https://www.kauai.gov/Council/GeneralPlanUpdate>>

<sup>14</sup> Report to the County of Kaua'i Commission on the Status of Women on the Resolution Supporting and Urging Equity, Inclusion, and Social and Economic Justice Principles in COVID-19 Related Recovery Initiatives, accessed September 2021 <[https://kauai.gov/Portals/0/Boards\\_Commissions/StatusOfWomen/Response](https://kauai.gov/Portals/0/Boards_Commissions/StatusOfWomen/Response)>

## SUMMARY BACKGROUND



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## KAUA'I HISTORICAL OVERVIEW

Geological beginning - Born over 6 million years ago by the movement in the Pacific Ocean tectonic plates over the "Hawaiian hotspot", Kaua'i is the oldest of the main Hawaiian Islands. Sculpted by the wind, rain and waves, the Kaua'i's plateau reaches elevations of 5,148 feet at Wai'ale'ale. Directly exposed to trade winds, Wai'ale'ale is one of the wettest spots on earth. The transported alluvium formed broad central plains with deep soil and extensive beaches.

People start arriving - The first settlers of the Hawaiian Islands came from the Marquesas Islands sometime between A.D. 200 and A.D. 500. The early settlers of Kaua'i were proficient farmers and fishermen. They cleared the lowland forests to plant taro (kalo), the staple of their diet, which they pounded into poi. These people knew how to use and make tools out of bone and stone, and knew where the good fishing spots were. The early settlers developed a civilized form of society with evidence of religion and laws.

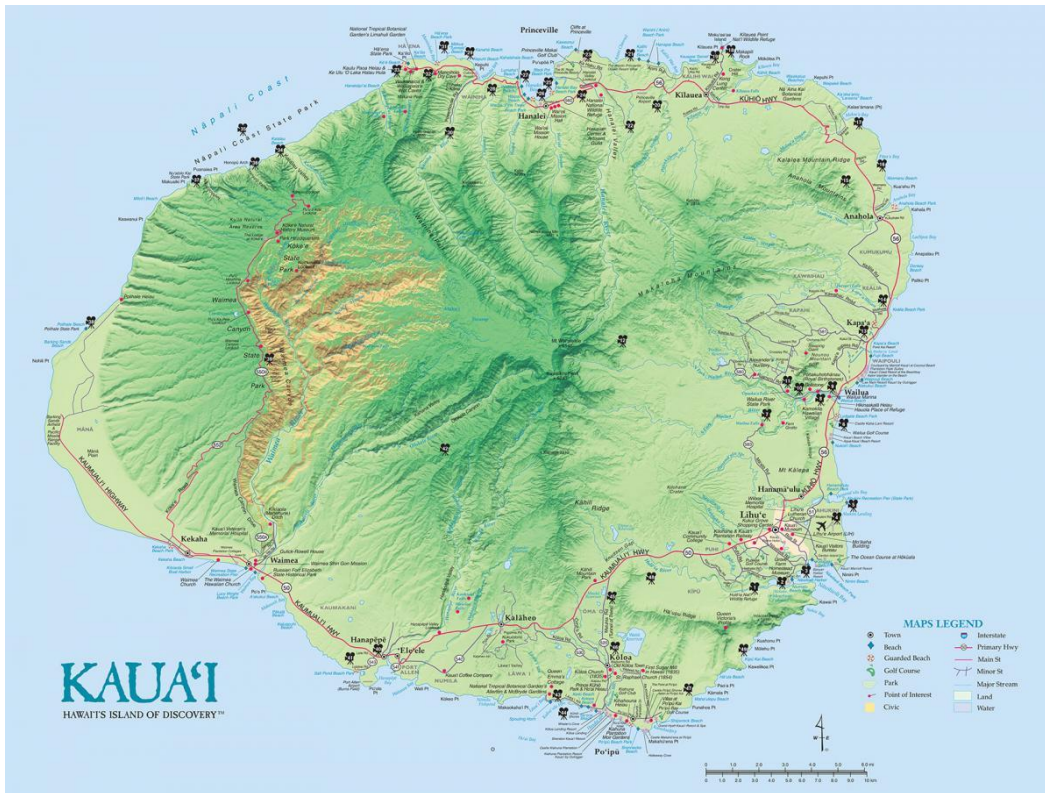
History between first inhabitants and today - Captain James Cook established the first documented Western contact with the Hawaiian Islands in 1778. Cook landed his ships Resolution and Discovery at Waimea Bay on the west coast of Kaua'i opening the door to the influx of westerners bringing major changes to Kaua'i and all of Hawaii—missionaries out of New England; commercial milling of sugar; the overthrow of the Hawaiian Monarchy; annexation by the United States and eventual statehood in 1959.

Discussion about today - Today Kaua'i County encompasses 620.0 square miles and is home to 72,543 people living in six planning districts. Each district has its own distinct character. The most developed and populous districts are Lihue, the government and commercial center and the district that is home to the island's airport; East Kaua'i; and Koloa-Poipu-Kalaheo. The county's shared vision is a "Garden Island" of unique natural beauty, rooted in the principles of aloha and malama aina<sup>15</sup>, and remarkable in its thriving ecosystems.

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<sup>15</sup> "to respect and care for the land"

## Geography and Natural Resources



Kauai County is located in northwest Hawaii. Kauai is a volcanic island rich with rain forest, swamp lands, lush valleys, waterfall lined craters and dramatic coastlines. The county origins are volcanic. The highest peak on this mountainous island is Kawaikini at 5,243 feet (1,598 m). The second highest peak is Mount Wai'ale'ale near the center of the island, 5,148 feet (1,569 m) above sea level<sup>16</sup>. One of the wettest spots on Earth, with an annual average rainfall of 460 inches (11,700 mm), is located on the east side of Mount Wai'ale'ale. The high annual rainfall has eroded deep valleys in the central mountains, carving out canyons with many scenic waterfalls. On the west side of the island, Waimea town is located at the mouth of the Waimea River, whose flow formed Waimea Canyon, one of the most scenic canyons in the world, and which is part of Waimea Canyon State Park. At 3,000 feet (914 m) deep, Waimea Canyon is often referred to as "The Grand Canyon of the Pacific".<sup>17</sup>

Kauai has a long agricultural history – from the first Polynesian settlers thousands of years ago bringing taro to plant, to biotech-companies producing genetically-modified crops today. When Captain James Cook landed on the island in 1778 — little did he know that he had stumbled upon a farmer's utopia.

The year-round temperate climate and generous rainfall have lured many farmers and farm laborers to Hawaii's shores. Coffee, pineapple and cattle were first introduced to the islands in the early 19th-century and have been farmed ever since, but it was the sugarcane industry that helped define Hawaii's past and paved the way for today's seed companies.

<sup>16</sup> Kauai.Com, *Kauai Geography and Geology*, accessed August 20201, <<https://www.kauai.com/kauai-geography>>

<sup>17</sup> eReference Desk, accessed 2021 <https://www.ereferencedesk.com/resources/counties/hawaii/kauai.html>

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## Industry Sectors

The Kaua'i 2022-2026 CEDS maintains the focus of the previous CEDS Update for 2016-2020 by boosting other industry clusters in addition to the primary economic engine of tourism. The six target industry clusters - Food and Agriculture; Renewable Energy, Sustainable Technologies and Practices; Science and Technology; Visitor Industry Management and Preservation; Health and Wellness; and Arts and Culture - were identified in the two previous CEDS because of a variety of factors: their size in terms of number of jobs and/or earnings, the amount of current industry activity observed, and/or the estimated potential for growth.

Health and Wellness. The county's healthcare industry is anchored by two hospitals and a department of health that is very involved in protecting and improving the County health and environment. Industry leaders include Wilcox Hospital, Samuel Mahelona Memorial Hospital, and Dr. Janet Berreman, MD who leads the Kaua'i District Health Office. In 2021 the industry employs 2,700 people<sup>18</sup> or 10.8% of jobs in the County. This number reflects a loss of a 100 jobs over the same period in 2020.

Renewable Energy/Sustainable Technology and Practices. The Kaua'i Island Utility Cooperative (KIUC) is a member-owned power generation cooperative governed by an elected Board of Directors. The utility employs 139 people. Since purchasing Kaua'i Electric in 2002, KIUC embarked on perhaps the most ambitious shift to renewable energy sources anywhere in the American electric utility industry. KIUC is rapidly closing in on reaching the 70 percent renewable level by 2030—a full decade ahead of the Hawai'i statewide goal<sup>19</sup>. In addition, KIUC's efforts have helped to stabilize energy rates on the island by using 100% renewable power in daylight hours on most sunny days. In August 2021 KIUC was one of eight electric utilities recognized as "Power Players of the Year" by the Smart Electric Power Alliance. KIUC earned its award in the category of Electric Cooperative of the Year for demonstrating industry leadership through unique innovation in an effort to significantly accelerate the transformation to a clean and modern energy system. The Green Energy Team<sup>20</sup> is biomass to energy plant that started operation in April of 2016. It can cover 12.8% of County power needs and replaces 3.8 million gallons of diesel fuel annually. Limahuli Garden and Preserve<sup>21</sup>, a National Tropical Botanical Garden, is one of the few places in the state where people can learn how to manage resources based on the ancient Hawaiian ahupua`a system. An ahupua`a is basically a land section that extends from the top of the mountains, out into the ocean and it's within the borders of an ahupua`a that Hawaiian communities were developed and managed.

Science and Technology. Kaua'i's geographic and tropical climate location makes it very desirable for scientific research. The National Tropical Botanical Garden manages a network of four botanical gardens, preserves and research facilities on Kaua'i. Thousands of species from throughout the tropical world have been gathered, through field expeditions, collaborations with other institutions and researchers, to form a living collection that is unparalleled anywhere.

The future science and technology workforce is currently being cultivated. There is ongoing collaboration between Kaua'i Community College and the three high schools on Kaua'i through "tech academies". STEM programs are offered from K-12.

Food and Agriculture. Kaua'i has long history with agriculture. Captain Cook observed small plot cultivation when he first landed on Kaua'i in 1778. Today, while sugar cane is no longer farmed, the county has developed a social cohesiveness around diversifying agriculture. At the University of

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<sup>18</sup> Department of Business, Economic Development & Tourism Research and Economic Analysis – Labor Market Dashboard, , accessed 24 July 2021 <<http://dbedt.hawaii.gov/economic/labormarket-dashboard/>>

<sup>19</sup> Kaua'i Island Utility Cooperative 2016-2030 Strategic Plan accessed in 24 July 2021 <<https://website.kiuc.coop/strategic-plan>>

<sup>20</sup> Green Energy Team, accessed 6 July 2021, <<https://www.greenenergykauai.com/>>

<sup>21</sup> Limahuli Garden and Preserve, accessed 17 July 2021, <<https://ntbg.org/gardens/limahuli/>>

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Hawaii's Kaua'i Agricultural Research Center<sup>22</sup> in Wailua, there are research gardens growing varieties of taro, ornamental ginger, pineapple, tree crops, heliconia, coffee, corn, tea, pasture grass, noni, protea, 'awa and banana.

The Kaua'i Coffee Estate is the largest coffee farm in the U.S. with 4 million coffee trees grown on 3,100 acres.

Visitor Industry Management and Preservation. The visitor industry in Hawaii and on Kaua'i is at a "tipping point." With the onset of vaccinations and opening of the U.S. economy, Kaua'i has seen visitor arrivals by air go from 3,759 in December 2020 to 77,313 in September 2021<sup>23</sup>. This "instant growth" in visitors has Hawaii counties rethinking their reliance on the visitor industry. Kaua'i Mayor Derek Kawakami said his goal is not to slash the number of visitors to the Garden Isle but to manage them better once they arrive. The county is working with the private sector to stand up alternative modes of transportation, such as shuttle systems, to help tourists navigate the island while reducing their dependency on daily car rentals that clog the roads. The county is also considering reengineering some beach parking lots to include a visitor shuttle drop-off lane. The mayor said he's considering ordering periodic shutdowns of county campgrounds to give the natural resources a break, an idea inspired by the pandemic-related shutdowns, which had positive environmental impacts on popular beach parks<sup>24</sup>.

Arts and Culture. Kaua'i County accounted for 2,520 of the state's creative industry jobs in 2019, a 0.7% annual increase from 2008<sup>25</sup>. The annual job growth was negative 4.0% from 2008 to 2009. The average annual growth rate was increased to 1.2% during 2009-2019. Three creative industry groups were high performing in Kaua'i County in the 2008 to 2019 period. These included Art Education and Performing and Creative Arts.

Kaua'i has a very rich Arts and Culture Community. Different arts and cultural platforms are operating within the county – creatives, innovators, media artists, cultural practitioners like Kapa making and hula, museums, festivals, music, and film making like the Taylor Camp Project.

It is also a community in transition. Traditional and long standing artists and cultural practitioners are aging. Younger artists are introducing new art forms like wall murals. Opportunities currently exist in this sector for economic development funding through the National Endowment for the Arts Covid-19 relief funds. An underlying need exists for more business acumen within the Arts and Culture community including grant writing, business planning, bookkeeping and marketing.

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<sup>22</sup> Kaua'i Agricultural Research Center, Kaua'i County, College of Tropical Agriculture and Human Resources; accessed 11 August 2021, <<https://www.ctahr.hawaii.edu/site/locationdetails.aspx?id=ER-KKAUA>>

<sup>23</sup> Department of Business, Economic Development & Tourism, July Tourism Dashboard, accessed November 2021, <<http://dbedt.hawaii.gov/visitor/tourism-dashboard/>>

<sup>24</sup> Honolulu Civil Beat, Lyte, B., *How Neighbor Islands Are Working To Address Overtourism In Hawaii*, accessed 21 July 2021, <<https://www.civilbeat.org/2021/07/how-neighbor-islands-are-working-to-address-overtourism-in-hawaii/>>

<sup>25</sup> Hawaii's Creative Industries Update Report 2020, Department of Business Economic Development and Tourism, accessed September 2021 [https://files.hawaii.gov/dbedt/economic/data\\_reports/hawaii-creative-report/HI\\_Creative\\_Ind\\_2019.pdf](https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2019.pdf)

## ECONOMIC INDICATORS

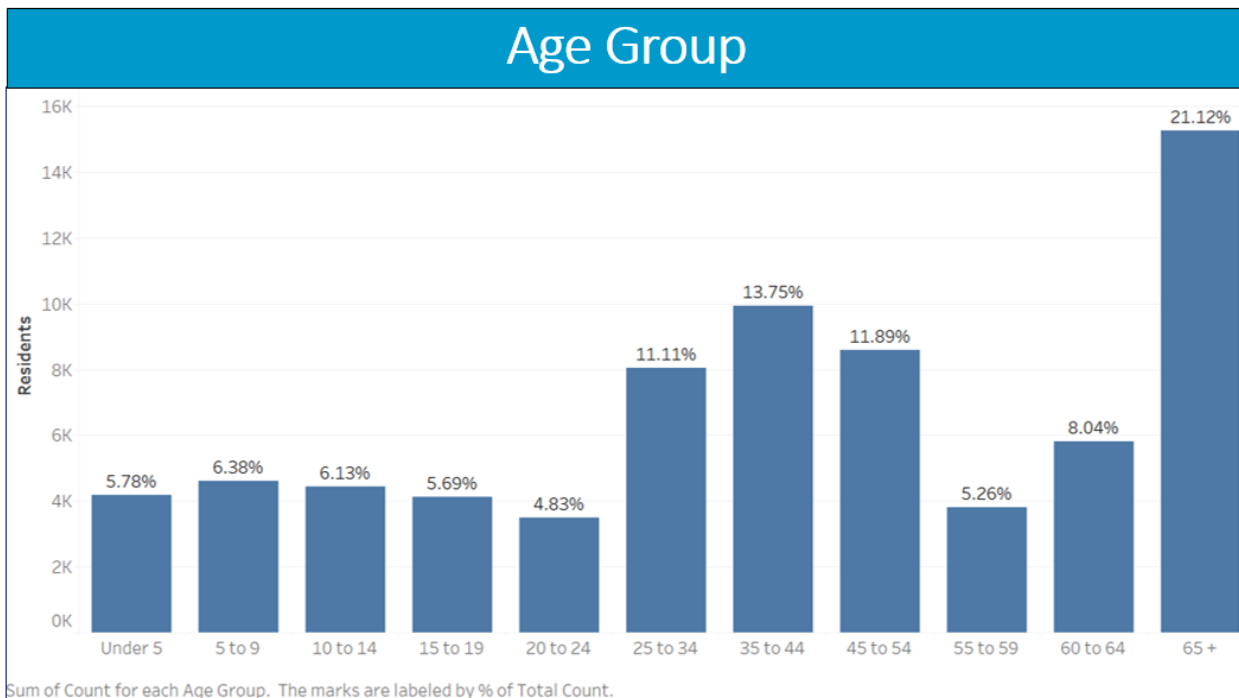
The following key economic indicators are a measure of where we stand today and provide the opportunity for tracking future progress.

### Age and Gender

In 2021, the median age for Kaua'i County was 42.6 years which is higher than the national median age of 38 years and the Hawaii state median age of 38.5 years. The age group with the highest percentage is the 65+ group at 21.12%. Age group 25 – 54 makes up 36.75% of the resident population.

Between 2010 and 2018, **KAUAI** has seen a 1.85% decrease in residents from 0-29 years of age, a 1% increase in people 30-39, a 4.6% decrease for 40-59 year-olds, and 5.4% increase for people over 60 years of age<sup>26</sup>.

As of July, 2019 female persons made up 50.6% of the population.

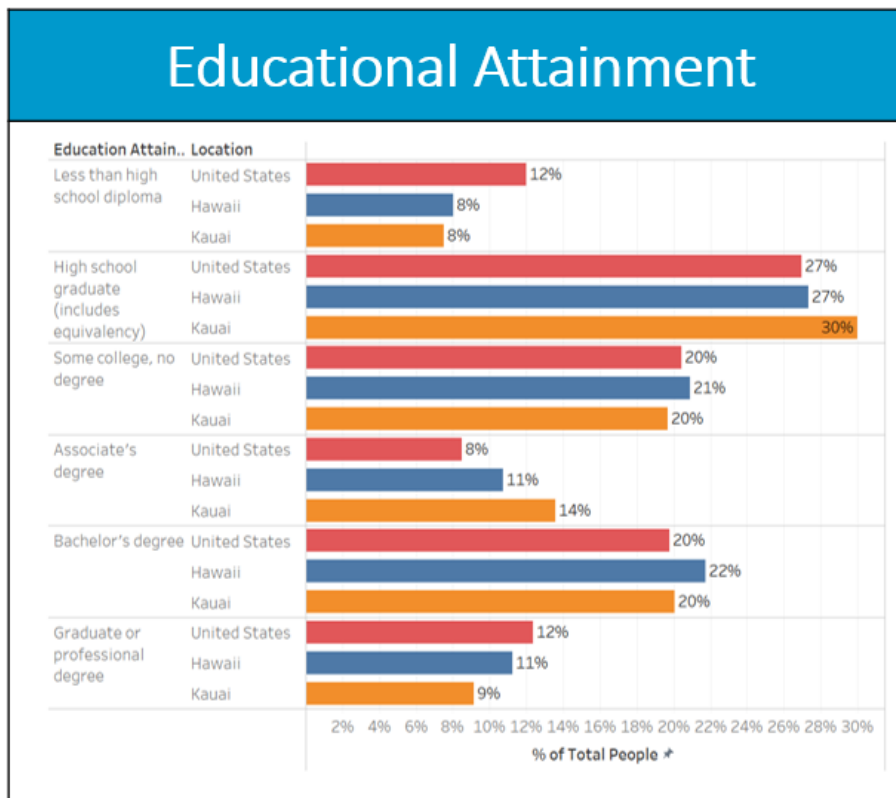


<sup>26</sup> Department of Business, Economic Development and Tourism, *DBEDT Research and Economic Analysis, Population and Economic Projections for the State of Hawaii to 2045*, accessed August 2021, <<https://dbedt.hawaii.gov/economic/economic-forecast/2045-long-range-forecast/>>

## Education Attainment

In the County of Kaua'i, 2020 estimates<sup>27</sup> show that the number of people with a high school diploma (30%) or an associate's degree (14%) is above both Hawai'i and U.S. averages. But the numbers of people with some college and no degree (20%) or bachelor's degree (20%) are equal to the U.S. averages and they fall below the Hawai'i state averages (21%) and (22%) respectively. The numbers of people with graduate or professional degrees (9%) are below both state (11%) and national (12%) averages.

Current state strategies aim to make sure the state is preparing students for jobs that are forecasted to increase in demand, pay a family a sustaining wage, and have a promising career ladder<sup>28</sup>. Workforce development initiatives in Kaua'i County<sup>29</sup> stress above all the importance of any type of postsecondary credential, whether technical certification or advanced academic study. The fastest growing occupations are all mid to high skills jobs on the island of **KAUAI**<sup>30</sup> that will require this type of credentialing. The local workforce common education level of potential candidates in the system for **KAUAI** County is people with a High School diploma with 30%.



<sup>27</sup> Kauai County, Hawaii Education Data, *Town Charts*, accessed August 2021

<https://www.towncharts.com/Hawaii/Education/Kauai-County-HI-Education-data.html>

<sup>28</sup> Hawai'i Career Pathways, *Promising Credential in Hawaii Final Report October 2020*, accessed July 2021

[www.hawaiicareerpathways.org/promising-credentials](http://www.hawaiicareerpathways.org/promising-credentials)

<sup>29</sup> Workforce Innovation and Opportunity Act 2017 -2020, *County of Kaua'i Workforce Development Board*, accessed July 2021 <<https://kauai.gov>>

<sup>30</sup> Workforce Innovation and Opportunity Act 2017 -2020, *County of Kaua'i Workforce Development Board*, accessed July 2021 <<https://kauai.gov>>

# Housing

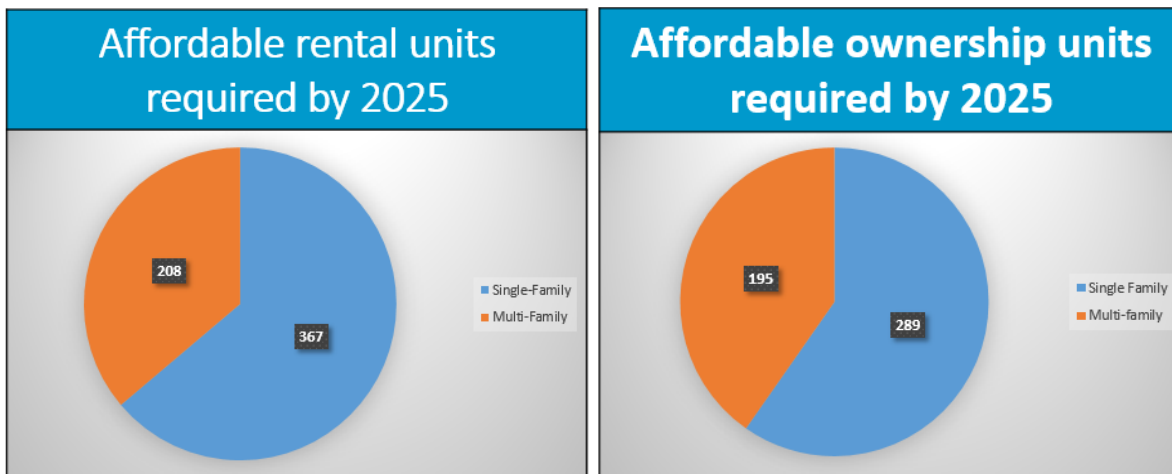
Affordable housing refers to the generalized concept of housing that residents have enough income and financial resources to be able to purchase or rent. In the U.S. the commonly accepted guideline for housing affordability is a housing cost that does not exceed 30% of a household's gross income. Housing costs considered in this guideline generally include taxes and insurance for owners, and usually include utility costs. When the monthly carrying costs of a home exceed 30-35 percent of household income, then the housing is considered unaffordable for that household.

The 2019 annual Area Median Income (AMI) on Kaua'i was \$90,000. The monthly rent affordable at AMI is \$1,345. 30% of AMI is \$27,000. Monthly rent affordable at 30% of AMI is \$675. The 2019 Fair Market Rent for a 2-bedroom apartment was \$1,531. The number of full time jobs at minimum wage needed to afford a 2-bedroom apartment is 2.9.

The 2019 Hawaii Housing Planning Study<sup>31</sup> showed that on Kaua'i the housing units by HUD classification between 2020 and 2025 is 4,281. Of these units, 25% (1,060) are in the affordable ownership or rental unit housing category.

In 2019, 63.2% of the housing units in Kaua'i County, were occupied by their owner. This percentage grew from the previous year's rate of 63.1%.<sup>32</sup>This percentage of owner-occupation is lower than the national average of 64.1%

The average person per household increased from 3.03 in 2010-2014 to 3.13 in 2015-2019<sup>33</sup>.



<sup>31</sup> Department of Business, Economic Development & Tourism, *Hawaii Housing Demand:2020-2030*, accessed August 2021, <[https://dbedt.hawaii.gov/hhfdc/files/2020/01/FINAL-State\\_Hawaii-Housing-Planning-Study.pdf](https://dbedt.hawaii.gov/hhfdc/files/2020/01/FINAL-State_Hawaii-Housing-Planning-Study.pdf)>

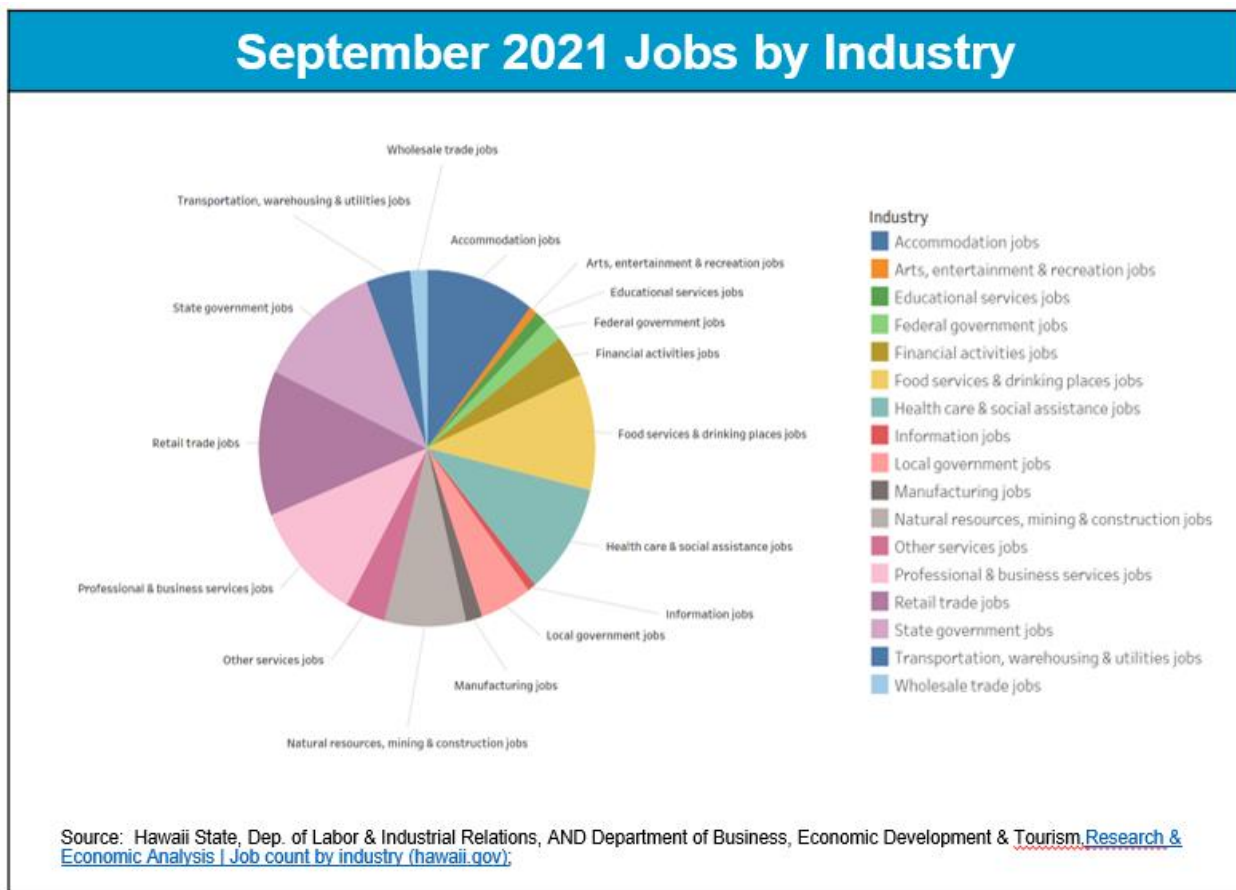
<sup>32</sup> DATAUSA: *Kaua'i County, HI Data USA*, accessed August 2021 <<https://datausa.io/profile/geo/kauai-county-hi#housing>>

<sup>33</sup> US Census Bureau, *Average person per household 2010-14: 2015-19*, accessed August 2021, <[https://census.hawaii.gov/wp-content/uploads/2020/12/acs2019\\_5yr\\_DBEDT-highlights.pdf](https://census.hawaii.gov/wp-content/uploads/2020/12/acs2019_5yr_DBEDT-highlights.pdf)>

## Jobs (Employment by Industries)

From 2019 to September of 2021, employment in Kauai County, shrank at a rate of 22.8%, from 33.3k employees to 25.7k employees<sup>34</sup>. This reduction in jobs is directly related to the negative effects of COVID-19 on the local economy, especially the visitor industry. After bottoming out in September 2020 at 23,200, jobs have grown by 9.7% through September 2021 reaching a total of 25,700<sup>35</sup>. The most common employment sectors outside of state, local and federal government for those who live in Kauai County are Accommodation & Food Services (5,400 jobs), Retail Trade (3,400 jobs), and Professional and Business Services (2,800 jobs)<sup>36</sup>. The following chart shows the share breakdown of the primary industries for residents of Kauai County, though some of these residents may live in Kauai County and work somewhere else. Census data is tagged to a residential address, not a work address.

The highest paying industries in Kauai County, by median earnings, are Public Administration (\$61,574), Professional, Scientific, & Technical Services (\$53,308), and Construction (\$49,231)<sup>37</sup>.



<sup>34</sup> Department of Business, Economic Development and Tourism Research and Economic Analysis, *Job Count by Industry – Kauai County*, accessed October 2021 < <https://dbedt.hawaii.gov/economic/job-count-by-industry/>>

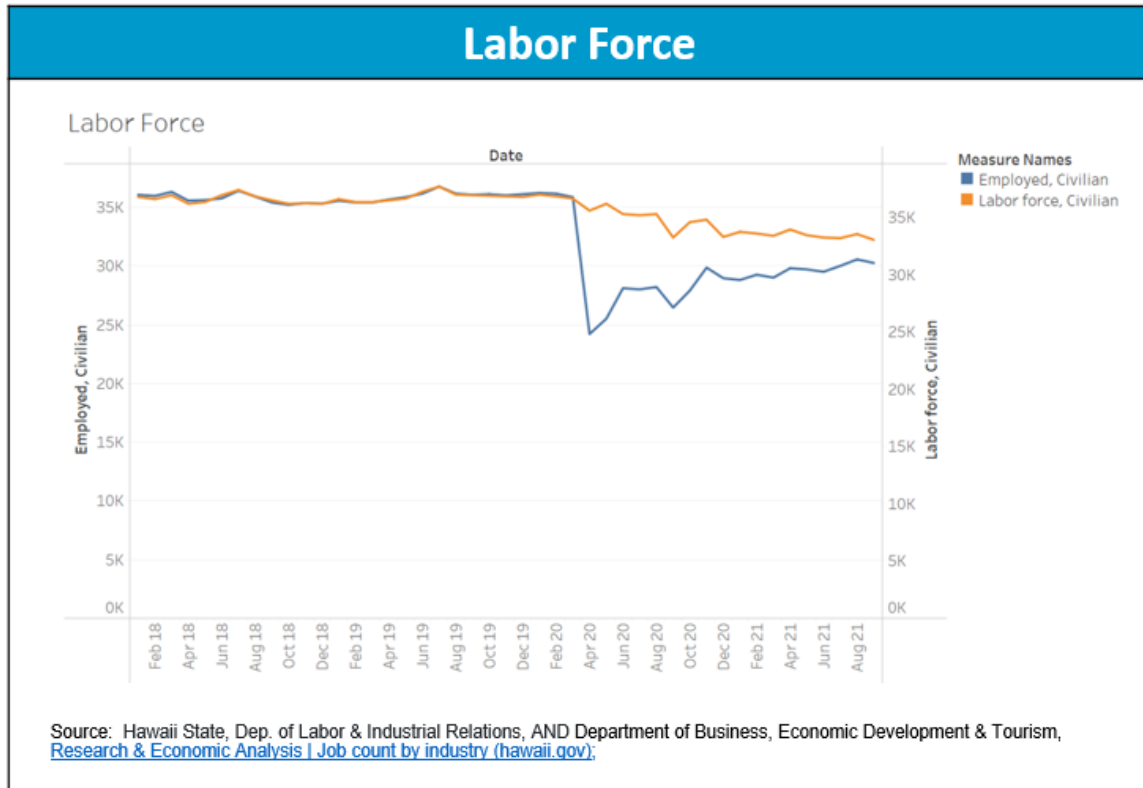
<sup>35</sup> Ibid.

<sup>36</sup> Ibid.

<sup>37</sup> DATAUSA, *Kauai County, HI*, accessed October 2021 < <https://datausa.io/profile/geo/kauai-county-hi>>

## Labor Force

As of September 2021, Kaua'i County had a labor force of 33,050<sup>38</sup>. The labor force is the sum of employed and unemployed persons. The labor force participation rate is the percentage of the civilian, noninstitutional population 16 years and older that is working or actively looking for work. As of September 2021, the county labor participation rate was down less than .01% from September of 2020 and 10.5% less than September 2019. This decrease is attributable in large part to the effects of the COVID-19 pandemic. As of September 2021 the unemployment rate for **KAUA'I** County was 8.5% compared to the State rate of 6.4%.



### Number of People Employed

Month of ..	2019	2020	2021
January	35,550	36,200	28,800
February	35,400	36,150	29,250
March	35,400	35,850	29,000
April	35,650	24,200	29,800
May	35,850	25,500	29,700
June	36,150	28,100	29,500
July	36,750	28,000	30,000
August	36,150	28,200	30,550
September	36,050	26,450	30,250
October	36,100	27,900	
November	36,000	29,850	
December	36,100	28,950	

<sup>38</sup> Department of Business, Economic Development & Tourism, *Monthly Economic Indicators September 2021*, accessed October 2021, <<https://dbedt.hawaii.gov/economic/mei/>>

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## Median Income

In 2020 households in Kauai County, had a median annual income of \$83,554, which is more than the median annual income of \$65,712 across the entire United States. This is in comparison to a median income of \$78,482 in 2019, which represents a 6.46% annual growth<sup>39</sup>.

The income category that had the most households was \$100,000 to \$149,999 at 23.1%, followed by the households making \$50,000 to \$74,999 at 18.1%. 4.8% of households have less than \$10,000 in income<sup>40</sup>.

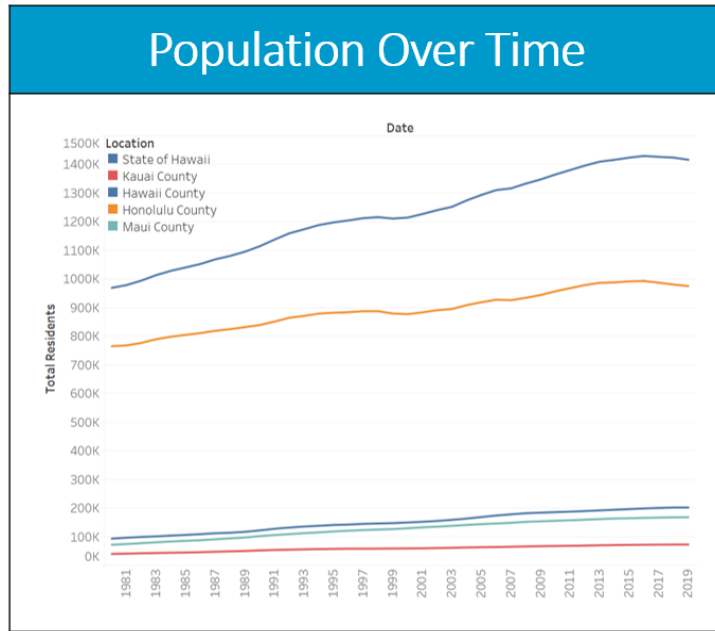
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<sup>39</sup> Kauai County, HI *Data USA*: accessed September 2021. <<https://datausa.io/profile/geo/kauai-county-hi>>

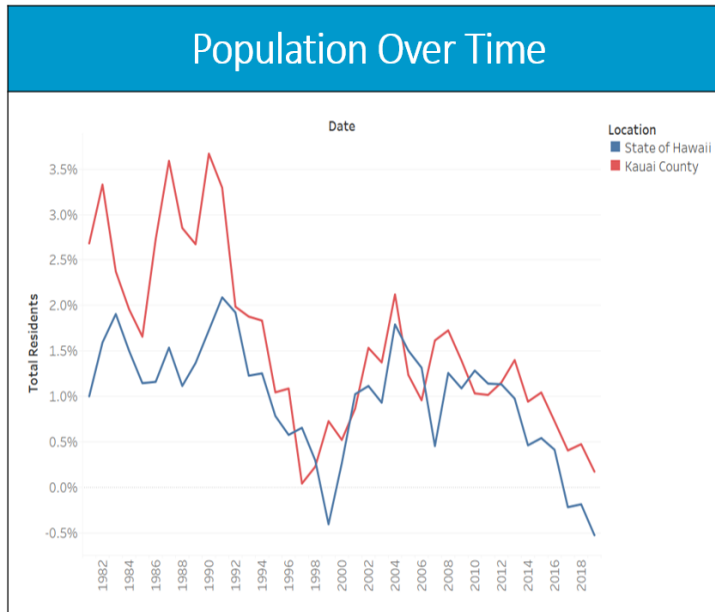
<sup>40</sup> US Census Bureau, *Kauai County, Hawaii Income in the Past Twelve Months*, accessed October 2021, <https://www.census.gov/programs-surveys/acs>

# Population

Recent Census Bureau estimates show that the county enjoyed steady growth from a population of 67,091 in 2010 to 2020 when it hit a peak population of 73,298. This compares to the State of Hawai'i which showed a population of 1,455,271 over the same period. The 2010-2020 annual population growth rate for the County was 9.3% compared to the state growth rate of 7.0% during the same period. The resident population of Kaua'i County is projected to grow at an annual rate of 0.8 percent during the 2016 to 2045 period. The modest growth here shouldn't mask the fact that there has been a significant net loss of a core component of Kaua'i's workforce (residents from the ages of 40 to 59) and a significant net gain of people over 60<sup>41</sup>.



Between 2010 and 2018, Kaua'i has seen a 1.85% decrease in residents from 0-29 years of age, a 1% increase in people 30-39, a 4.6% decrease for 40-59 year-olds, and 5.4% increase for people over 60 years of age. The highest growth rate is among the 85 years and over population. This group's population is projected to grow by 5.8% between 2025 and 2030 and by 7.7% between 2030 and 2035. This compares to the next highest resident population group of 65 to 84 years which is projected to grow by 1.2% between 2025 and 2030. The population share of the neighbor islands are projected to further increase to 34.9 percent by 2045 as the faster population growths in the neighbor islands are projected to continue during the projection period<sup>42</sup>.

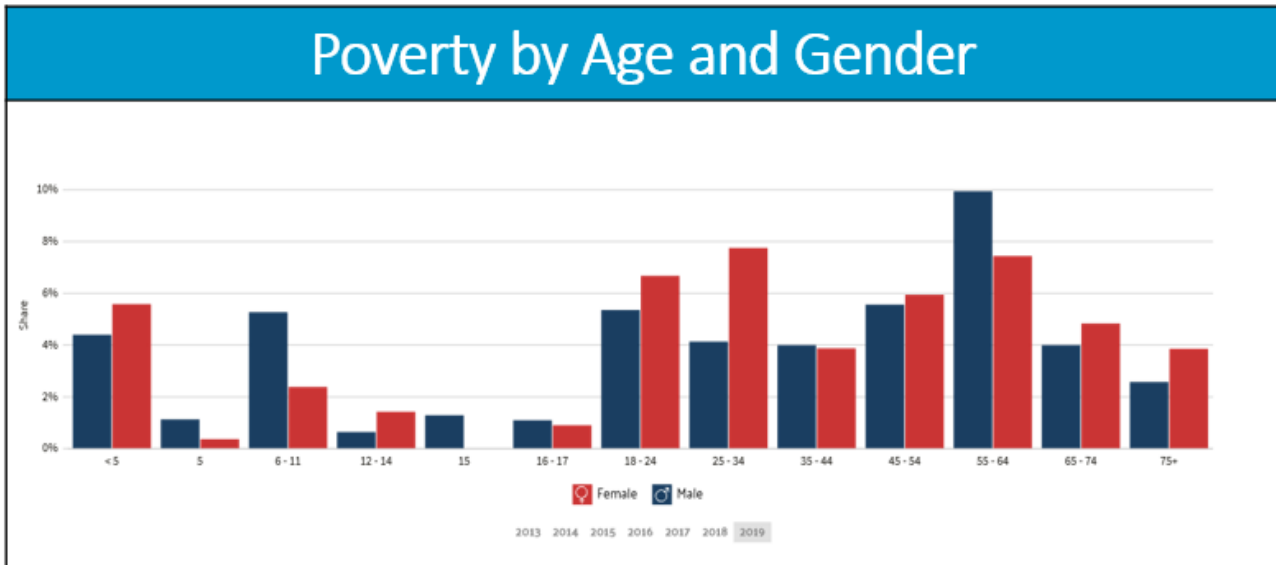


<sup>41</sup> Civil Beat, *Demographic Shifts Pose Tremendous Risks for Kauai*, accessed July 2021 <<https://www.civilbeat.org/2020/03/demographic-shifts-pose-tremendous-risks-for-kauai/>>

<sup>42</sup> Department of Economic Development and Tourism, *Population and Economic Projections for the State of Hawaii to 2045*, accessed August 2021, <[https://files.hawaii.gov/dbedt/economic/data\\_reports/2045-long-range-forecast/2045-long-range-forecast.pdf](https://files.hawaii.gov/dbedt/economic/data_reports/2045-long-range-forecast/2045-long-range-forecast.pdf)>

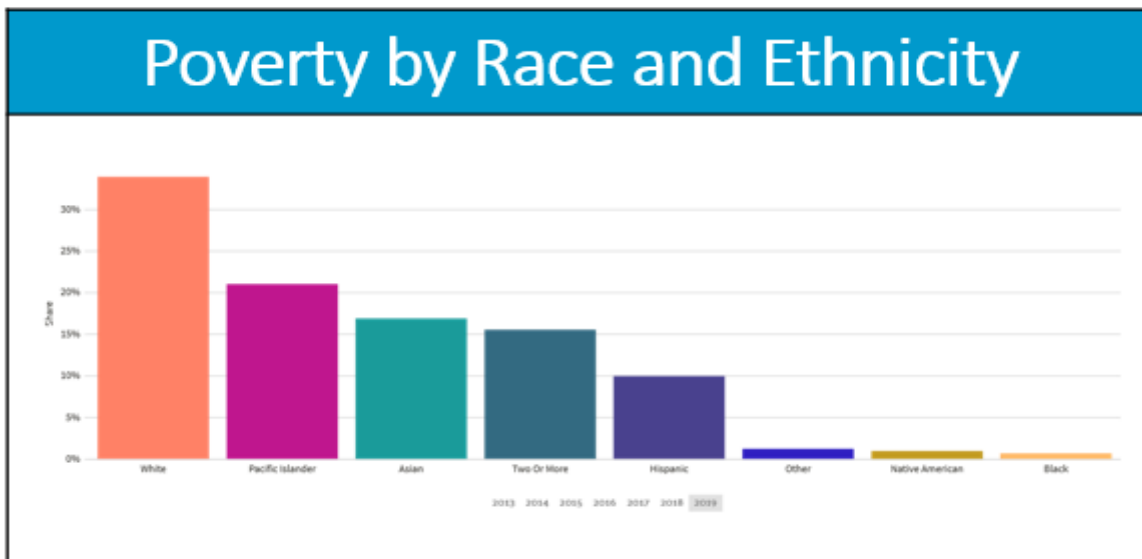
## Poverty

According to 2019 Census data, 8.1% of the population for whom poverty status is determined in Kaua'i County, (5.75k out of 71k people) live below the poverty line, a number that is lower than the national average of 12.3%. The largest demographic living in poverty are Males 55 - 64, followed by Females 25 - 34 and then Females 55 - 64.



The most common racial or ethnic group living below the poverty line in Kaua'i County, is White, followed by Pacific Islander and Asian.

The Census Bureau uses a set of [money income thresholds](#) that vary by family size and composition to determine who classifies as impoverished. If a family's total income is less than the family's threshold than that family and every individual in it is considered to be living in poverty.<sup>43</sup>

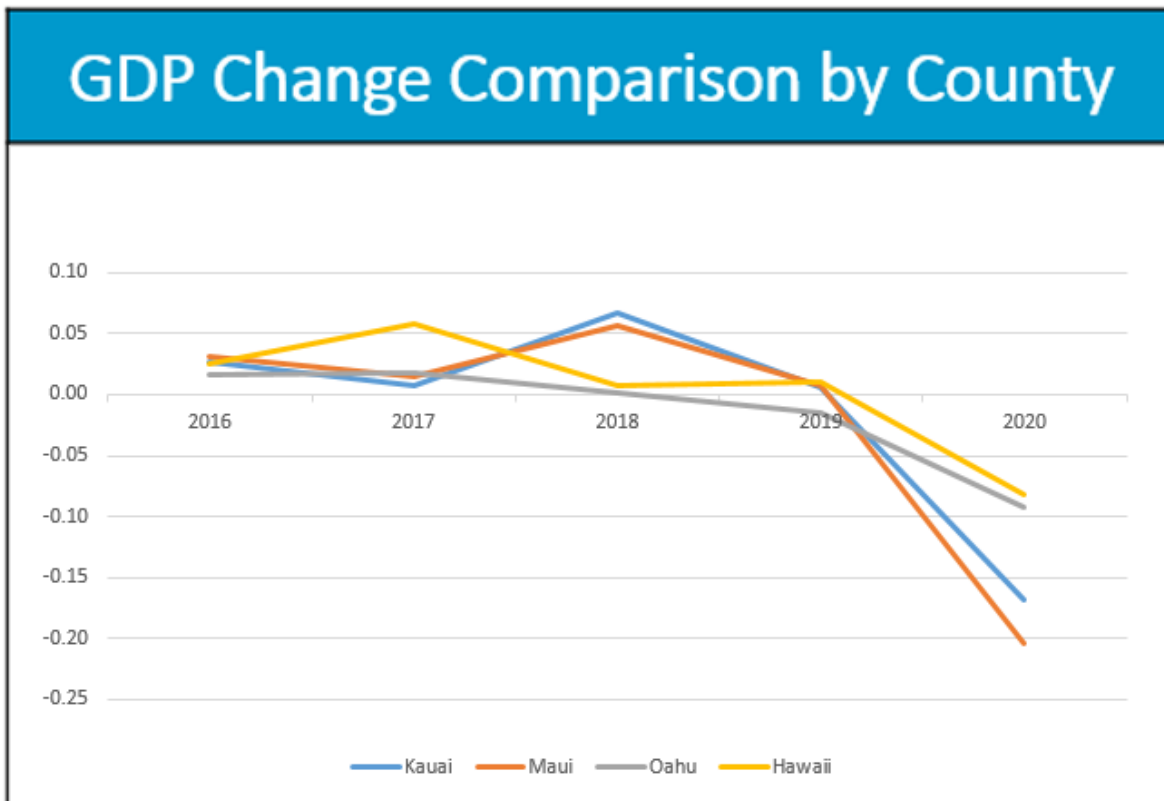


<sup>43</sup> USCensus Bureau, *ACS 5-year Estimate*, accesses September 2021, < <https://www.census.gov/programs-surveys/acs> >

## Gross Domestic Product (GDP)

Gross domestic product (GDP) by county is the value of goods and services produced by the county's economy less the value of goods and services used up in production. GDP by county is the sub-state counterpart of the nation's gross domestic product, the Bureau's featured and most comprehensive measure of U.S. economic activity.

Kauai's Real GDP for 2020 was \$3,083,667 which is 4<sup>th</sup> among the State counties. In 2020, Kauai County ranked 2<sup>nd</sup> among the four Hawaii Counties in percent change from 2019 with a 17% decrease<sup>44</sup>.



<sup>44</sup> Department of Business, Economic Development and Tourism, *Hawaii's Economic Structure: An Analysis Using Industry Level Gross Domestic Product Data April 2020 Update*, accessed September 2021, <[https://dbedt.hawaii.gov/economic/files/2020/04/GDP\\_Report\\_Final\\_April2020.pdf](https://dbedt.hawaii.gov/economic/files/2020/04/GDP_Report_Final_April2020.pdf)>

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## Race and Equity

In its annual 2021 Healthiest Communities Report<sup>45</sup>, U. S. News and World Report ranked Kaua'i as the 133 healthiest communities out of 500 across the United States. The report included data on racial, ethnic and gender inequities across Kaua'i County.

### Kaua'i Equity Measurements<sup>46</sup>

- Segregation Index Score<sup>47</sup> - Kaua'i 0.23/National 0.41
- Educational Equity
  - Racial Disparity in Educational Attainment<sup>48</sup> - Kaua'i 0.17/National 0.15/ Hawaii 0.15
- Health Equity
  - Air Toxics Exposure Disparity Index Score<sup>49</sup> - Kaua'i 0.17/ National 1.87/ State 3.23
  - Premature Death Disparity Index Score<sup>50</sup> - Kaua'i 0.01/National 0.04/ State 0.03
- Income Equity
  - Gini Index<sup>51</sup> - Kaua'i 0.42/National 0.44/State 0.44
  - Neighborhood Disparity in Poverty<sup>52</sup> - Kaua'i 4.91/National 6.55/State
  - Racial Disparity in Poverty<sup>53</sup> - Kaua'i 0.04/ National 0.13/State 0.04
- Social Equity
  - Disability Employment Gap<sup>54</sup> - Kaua'i 0.23/ National 0.41/State 0.23

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<sup>45</sup> The Healthiest Communities rankings from U.S. News & World Report show how nearly 3,000 U.S. counties and county equivalents perform in 84 metrics across 10 health and health-related categories. The broad framework of categories and subcategories is based on factors key to evaluating community health that were identified by the National Committee on Vital and Health Statistics - a policy advisory board to the head of the U.S. Department of Health and Human Services - as part of its Measurement Framework for Community Health and Well-Being. U.S. News adapted the NCVHS model in consultation with leading population health experts, resulting most notably in the inclusion of an equity category.

<sup>46</sup> U.S. News Healthiest Communities 2021, accessed September 2021, <https://www.usnews.com/news/healthiest-communities>

<sup>47</sup> Lower score from zero to 1 indicates a community is more racially/ethnically integrated.

<sup>48</sup> Lower score on a scale of zero to 1 indicates a smaller gap in high school diploma attainment across racial/ethnic groups.

<sup>49</sup> Lower score indicates smaller gap in air pollution exposure across racial/ethnic groups.

<sup>50</sup> Lower score on a scale of zero to 1 indicates a smaller gap in premature death rates across racial/ethnic groups

<sup>51</sup> The Gini Index is a measure of the distribution of income across a population developed by the Italian statistician Corrado Gini. Lower score on a scale of zero to 1 indicates less income inequality.

<sup>52</sup> Lower score indicates smaller gap in poverty rates across census tracts.

<sup>53</sup> Lower score on a scale of zero to 1 indicates smaller gap in poverty rates across racial/ethnic groups.

<sup>54</sup> Higher score indicates smaller gap in labor force participation rates between disabled and total populations.

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## Opportunity Zones

The recently passed Federal Tax Cuts and Jobs Act of 2017 authorized a community economic development program called the Opportunity Zones Program. This initiative provides incentives for investors to re-invest realized capital gains into Opportunity Funds in exchange for temporary tax deferral and other benefits. The Opportunity Funds are then used to provide investment capital in certain low-income communities, i.e., Opportunity Zones.

Kaua'i County has 2 designated Opportunity Zones. In total these Opportunity Zones have a population of approximately 4,300 that represents 6% of the county's total population of 72,000. The median household income for Kaua'i County Opportunity Zones ranges from approximately \$39,000 to \$71,000.<sup>55</sup>

The following map<sup>56</sup> shows all Opportunity Zones in Kaua'i County.

- Census Tract 150070401.04 is a Low-Income Community Opportunity Zone located in Wainiha. This 78 square mile census tract has a population of approximately 770.
- Census Tract 150070406.04 is a Low-Income Community Opportunity Zone located in Lawai. This 8.4 square mile census tract has a population of approximately 3,500.



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<sup>55</sup> List of Kaua'i County, Hawaii Opportunity Zones, *The Opportunity Zones Database*, accessed October 2021 <<https://opportunitydb.com/counties/kauai-county-hawaii/>>

<sup>56</sup> Ibid.

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## Tourism – A Sector in Transition

The Covid-19 pandemic delivered an unusual mixture of pain from economic loss and relief to Kaua'i residents of places that have gotten used to crowds of tourists. On Kaua'i, locals hiked popular trails and visited beaches that are usually clogged by tourists. Traffic was noticeably lighter and things on Kaua'i were generally calm. Things are already looking much different in 2021<sup>57</sup>.

- There were 77,313 visitors to Kaua'i in September 2021, compared to 1,096 visitors in September 2020, versus 93,501 visitors in September 2019.
- Visitor spending was \$126.5 million, a 4.2% percent decline from 132.0 million in September 2019.
- The average daily census on Kaua'i was 20,838 visitors in September 2021, compared to 1,475 visitors in September 2020, versus 21,957 visitors in September 2019.
- Through the first nine months of 2021, there were 537,644 visitors to Kaua'i compared to 286,764 visitors (+87.5%) in the first nine months of 2020, versus 1,043,109 visitors (-48.4%) in the first nine months of 2019.
- For the first nine months of 2021, total visitor spending was \$955.2 million, a decrease of 34.4 percent from \$1.46 billion in the first months of 2019.

While all this increased activity means job opportunities are back, the HTA Resident-Sentiment-Fall 2020 Attitudes Toward Re-Opening Hawai'i to Tourism's survey has shown there is rising sentiment within the State tourism industry that based upon the 2019 experience, tourism shouldn't come back the way it was - an unmanaged state<sup>58</sup>.

Local Kaua'i residents are taking on an increasingly negative opinion of tourism, even in light of the pandemic. In 2020, over half of the respondents to the survey agreed that tourism had brought more problems than benefits<sup>59</sup>.

The Kaua'i Destination Management Action Plan (DMAP) 2021-2023 presents a blueprint for managing tourism on Kaua'i. In the DMAP vision of tourism in 2040, *Kaua'i is a global leader in the reinvention of the visitor industry. Collaborative action by community stakeholders has addressed unsustainable visitor growth as well as climate change and social inequity. Tourism remains a valued economic sector, as other sectors have emerged to offer greater stability and opportunity for the island.* The DMAP Plan goal is to *rebuild, redefine and reset the direction of tourism over a three-year period.* The plan contains the following six objectives:

1. Create positive contributions to the quality of life for Kaua'i's residents.
2. Support the maintenance, enhancement, and protection of Kaua'i's natural resources.
3. Ensure the authentic Hawaiian culture is perpetuated and accurately presented in experiences for residents and visitors, materials and marketing efforts.
4. Maintain and improve visitor satisfaction of their experience on Kaua'i

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<sup>57</sup> Department of Business, Economic Development & Tourism, *Visitor Spending for September 2021 Declined 15.4 Percent from Pre-Pandemic September 2019*, accessed November 2021 <[www.dbedt.gov](http://www.dbedt.gov)>

<sup>58</sup> Hawaii Tourism Authority, *Resident Sentiment Fall 2020 Covid Questions Topline Board of Directors Presentation* accessed 23 August 2021 <<https://www.hawaiitourismauthority.org/media/5723/hta-resident-sentiment-fall-2020-covid-questions-topline-bod-presentation-111920.pdf>> (p8)

<sup>59</sup> Hawaii Tourism Authority, *Resident Sentiment Fall 2020 Covid Questions Topline Board of Directors Presentation* accessed 23 August 2021 <<https://www.hawaiitourismauthority.org/media/6152/hta-resident-sentiment-fall-2020-board-presentation-121720-with-addendum.pdf>> (P17)

- 
5. Strengthen the economic contribution of Kaua'i's visitor industry
  6. Increase communication and understanding between the residents and visitor industry.

Statewide discussions among community, Kaua'i government<sup>60</sup>, national and international leaders are bringing the issues to the forefront.

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<sup>60</sup> IDEAS Live: *Is Tourism Broken And Where Do We Go From Here?* Civil Beat virtual panel discussions July 22, 2021 & July 29, 2021.

# **CLUSTER STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS (SWOT) ANALYSIS**



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In a series of meetings during July and August 2021 with six established cluster groups including Kaua'i's professionals in the fields of economic development, community development, health and social services and leaders from the private business community, the planning committee<sup>61</sup> conducted a strengths, weaknesses, opportunities and threats (SWOT) analysis.

The following list compilation describes the essence of the common views discussed by the participants throughout extended conversations. The subsequent pages provide additional explanation and clarification of each point.

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<sup>61</sup> The planning committee consists of Dennis Higashiguchi (consultant) and Jackie Kaina (project manager).

# Kaua‘i Comprehensive Economic Development Strategic Plan

## Cluster Working Groups SWOT Analysis

### EXPLANATION AND CLARIFICATION

#### CLUSTERS SWOT COMPILATION

<p><b><u>Strengths</u></b></p> <ul style="list-style-type: none"> <li>• Teamwork within island</li> <li>• Desirable location to live and do business</li> <li>• Kaua‘i Island Utility Cooperative – Leadership in renewable energy</li> <li>• Diverse and profound island culture</li> <li>• Diverse combination of government, educational and nonprofit agencies</li> <li>• Resilience in the face of adversity</li> <li>• Kaua‘i Community College and other educational and workforce training resources</li> <li>• Abundance of viable agricultural land</li> <li>• County and private sector leadership</li> <li>• Strong visitor industry</li> </ul>	<p><b><u>Weaknesses</u></b></p> <ul style="list-style-type: none"> <li>• Aging infrastructure</li> <li>• High cost of living in Hawai‘i</li> <li>• Aging and inadequate broadband infrastructure</li> <li>• Workforce “brain drain”</li> <li>• Affordable housing shortage</li> <li>• Lack of economic diversity</li> <li>• High cost of doing business in Hawai‘i</li> <li>• Skilled and unskilled workers deficit</li> </ul>
<p><b><u>Opportunities</u></b></p> <ul style="list-style-type: none"> <li>• Kaua‘i Creative Technology Center (KCTC)</li> <li>• Increased federal economic development funds</li> <li>• Develop county lands into affordable housing</li> <li>• Replicate Ha‘ena Model in other high impact visitor areas</li> <li>• Regenerative tourism</li> <li>• Take advantage of new technologies to improve productivity in all sectors</li> <li>• Education and training in all sectors</li> <li>• Collaboration within and among other industries and sectors</li> <li>• Expand and increase local food production</li> </ul>	<p><b><u>Threats</u></b></p> <ul style="list-style-type: none"> <li>• Disruptions both man-made and natural</li> <li>• Overtourism</li> <li>• Climate change</li> <li>• Infrastructure deterioration</li> <li>• Losing “change” momentum</li> <li>• Inflation</li> <li>• Change in quality of life for residents</li> </ul>

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# Kaua'i Comprehensive Economic Development Strategic Plan

## Cluster Working Groups SWOT Analysis

### EXPLANATION AND CLARIFICATION

#### Strengths

Teamwork within island. Kaua'i County is made up of close-knit, diverse families, individuals, and friends. This closeness creates a sense of "ohana" or family among those in the county. This strength was mentioned in all six SWOT cluster discussions.

Desirable location to live and do business. Kaua'i's natural beauty is world renown - wildly verdant landscapes, breathtaking beaches and utter serenity, including the Napali Coast, Waimea Canyon and Mount Wai'ale'ale. Kaua'i has a premium agricultural environment with a diversity of micro-climates that allows for growing diverse crops. Kaua'i has a tropical environment that does not go through the four seasons. The ocean that surrounds the island allows for all types of business and lifestyle possibilities. A recent study from SmartAsset, a New York Financial company discovered that Kaua'i is one of the top islands in the state to start a small business<sup>62</sup>.

Kaua'i Island Utility Cooperative – Leadership in renewable energy. The national award-winning<sup>63</sup> Kaua'i Island Utility Co-Op (KIUC) allows for rate stabilization and progress toward renewable energy success.

Diverse and profound island culture. Kaua'i's diverse population includes Caucasian (33%), American Indian and Alaskan Native (0.5%), Black or African American (0.7%) Asian (31%), Native Hawaiian and Pacific Islander (9.1%), two or more races (25.7%) and Hispanic or Latino (11.4%)<sup>64</sup>. This unique culture is evident from the local theater performances, songs, dance, music, food and native arts (kappa making, hula) and film.

Diverse county healthcare perspectives and practices. The county health department offers a range of positions that don't require a health background - various entry level positions and opportunities to grow in the organization. The department expanded community healthcare programs by offering outreach in different languages and cultures. The department works closely with county government, the private sector and the DOE.

Diverse combination of government, educational and nonprofit agencies. Grounded in the spirit of teamwork, these agencies collaborate to build capacity to lead and assist the Kaua'i community. Examples of these agencies include *The Pacific Missile Range Facility, Kaua'i Economic Development Board, Garden Island Arts Council, National Tropical Botanical Gardens, Wilcox Hospital, Aina Ho'okupu O Kilauea, and Go Farm.*

Resilience in the face of adversity. In difficult times, Kaua'i County defines resilience. The county has successfully navigated through a myriad of natural disasters including hurricanes, flooding and tsunamis. During the height of the COVID pandemic, *many volunteers stepped up to the plate to help deliver food items (food security); packaging to help children get supplies; and delivering items to the homeless community.*

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<sup>62</sup> The Garden Island, *Survey: Kaua'i is Good Place to Start a Small Business*, February 9, 2020, accessed September 2021, <<https://www.thegardenisland.com/2020/02/09/business/survey-kauai-is-good-place-to-start-a-small-business/>>

<sup>63</sup> Pacific Business News, *Kaua'i Island Utility Cooperative receives national award*, August 2, 2021, accessed September 2021, <<https://www.bizjournals.com/pacific/news/2021/08/02/kiuc-national-award-2021.html>>

<sup>64</sup> U S Census Bureau, *Quick Facts*, accessed September 2021, <[https://www.census.gov/quickfacts/fact/table/Kaua'icountyhawaii/PST045219](https://www.census.gov/quickfacts/fact/table/Kaua%27countyhawaii/PST045219)>

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# Kaua'i Comprehensive Economic Development Strategic Plan

## Cluster Working Groups SWOT Analysis

### EXPLANATION AND CLARIFICATION

Kaua'i Community College (KCC) and other educational and workforce training resources. Kaua'i County has growing workforce training resources. (Work-based Learning initiatives, Kaua'i Community College, Career Connected Learning, Project-based Learning Resources). Science and tech academies provide quality STEM education, assisted by collaboration between three high schools and KCC. In addition, there has been success in the high schools with the early college credit programs. Kaua'i Community College provides skills training/certifications to grow skilled workers' capabilities. Programs include *early college offerings for high school students; skilled workforce training programs offered through non-credit programs.*

Abundance of viable agricultural land. Kaua'i has an existing agriculture-related infrastructure including a social cohesiveness that gives agriculture the ability to play a big role. The agriculture sector includes many small and knowledgeable farmers. For example, Kekaha Ag Park is composed of 158 acres subdivided into 19 lots<sup>65</sup>. A strong cultural aspect exists in growing food practices and using native plants, herbs and spirituality to treat ailments and injuries (la'au lapa'au<sup>66</sup>).

County and private sector leadership. Kaua'i's mayor<sup>67</sup> and public officials continue to be at the forefront of successfully pivoting the county's response to the recent COVID pandemic and subsequent issues. Large landowners<sup>68</sup> continue to exemplify land stewardship.

Strong visitor industry. As reported in the Kaua'i Destination Management Action Plan 2021-2023<sup>69</sup>, tourism has remained the primary economic driver for Hawai'i's economy across all islands. (See also Tourism section of the CEDS 2022-2026 final report.)

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<sup>65</sup> State of Hawai'i Agricultural Resource Management Division, *Agricultural Parks*, accessed October 2021, <<https://hdoa.hawaii.gov/arm/agricultural-parks/>>

<sup>66</sup> Ka Leo 'O Na Kahuna Lapa'au 'O Hawai'i, *Kahuna Lapa'au 'O Hawai'i*, accessed October 2021 <<http://www.kahunahaleolono.org/language.html>>

<sup>67</sup> Civil Beat, *Coronavirus has Offered Kaua'i's Mayor a Political Breakout Moment*, June 23, 2020, accessed October 2021, < <https://www.civilbeat.org/2020/06/coronavirus-has-offered-kauais-mayor-a-political-breakout-moment/>>

<sup>68</sup> Alexander & Baldwin; Gay and Robinson; Grove Farm

<sup>69</sup> The Hawaii Tourism Authority, *Overview of Tourism in Hawai'i*, accessed November 2021 <<https://www.hawaiitourismauthority.org/media/6771/hta-kauai-dmap.pdf>>

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# Kaua'i Comprehensive Economic Development Strategic Plan

## Cluster Working Groups SWOT Analysis

### EXPLANATION AND CLARIFICATION

#### Weaknesses

Aging infrastructure. According to data gathered during the Food and Agriculture cluster SWOT discussions, aging areas include *roads, landfills, parks, sewer and wastewater and broadband. Farmers don't have access to adequate infrastructure to support processing their produce. The reservoirs are aging. The island is dependent on aging undersea cabling.* A USGS study in 2012 found that 70 percent of the beaches on Kaua'i are eroding<sup>70</sup>. Kaua'i's Water Plan 2020, which provides a comprehensive plan for addressing aging and deteriorating infrastructure, indicated that major structural deficiencies were found in three of the six water districts. As a result, 250 actions/projects were identified and prioritized to address deficiencies, long-term needs, system resiliency, and projected growth<sup>71</sup>.

High cost of living in Hawai'i. Hawai'i has the highest cost of living in the United States<sup>72</sup>. This fact deters workforce talent from moving to Hawai'i and makes it very difficult for locals to survive, especially those without family support.

Aging and inadequate broadband infrastructure. The high-speed broadband infrastructure is old and unable to support current usage needs.<sup>73</sup> Connectivity is weak. Examples of this weakness include *lack of redundancy; poor signal quality on various parts of the island including "dead spots"*. Because of the mountainous terrain, most of the broadband infrastructure is concentrated along the coastal and interior highways, which is where most of the population is distributed. However, this mountainous terrain makes it difficult to build out broadband infrastructure to reach several rural areas.

Workforce "brain drain". The high cost of living in Hawai'i and the greater employment opportunities in Honolulu, the mainland and internationally result in an exodus of young, local Hawai'i and consequently Kaua'i talent. Locals are leaving the islands in increasing numbers, citing the high cost of living in Hawaii—especially housing costs—and the lack of job opportunities suited to their skills and interests<sup>74</sup>. Hawaii has been losing population for three consecutive years beginning in 2017. Persistent decline in the state's population may be an indication of an ailing state facing major economic and social problems. Population losses can directly affect political representation and can also dampen the state's economy.<sup>75</sup>

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<sup>70</sup> USGS, *National Assessment of Shoreline Change: Historical Shoreline Change in the Hawaiian Islands*, p20, accessed September 2021, <[https://pubs.usgs.gov/of/2011/1051/pdf/ofr2011-1051\\_report\\_508\\_rev052512.pdf](https://pubs.usgs.gov/of/2011/1051/pdf/ofr2011-1051_report_508_rev052512.pdf)>

<sup>71</sup> *ASCE 2019 Infrastructure Report Card for Hawai'i*, accessed August 2021, <[https://www.infrastructurereportcard.org/wp-content/uploads/2016/10/2019-Hawaii-Infrastructure-Report-Card\\_Draft.pdf](https://www.infrastructurereportcard.org/wp-content/uploads/2016/10/2019-Hawaii-Infrastructure-Report-Card_Draft.pdf)>

<sup>72</sup> World Population Review, *Most Expensive States* <https://worldpopulationreview.com/state-rankings/most-expensive-states-to-live-in>

<sup>73</sup> Department of Business, Economic Development and Tourism, *Hawai'i Broadband Strategic Plan, October 2020 Edition*, accessed September 2021, <[https://broadband.hawaii.gov/wp-content/uploads/2020/11/Hawaii-BB-Plan-2020-FINAL\\_10-23-20\\_v1.1.pdf](https://broadband.hawaii.gov/wp-content/uploads/2020/11/Hawaii-BB-Plan-2020-FINAL_10-23-20_v1.1.pdf) - page 38>

<sup>74</sup> Mak, James and Tyndall, Justin, "Aloha 'Oe: Population Migration Between Hawai'i and the US Mainland," The Economic Research Organization at the University of Hawai'i, accessed August 2021, <<https://uhero.hawaii.edu/aloha-oe-population-migration-between-hawaii-and-the-u-s-mainland/>>

<sup>75</sup> Robert Gebeloff, "Why Your State Is Growing or Stalling or Shrinking," *The New York Times*, January 9, 2020, accessed August 2021, <<https://www.nytimes.com/2020/01/09/upshot/american-population-slowdown.html>>

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# Kaua'i Comprehensive Economic Development Strategic Plan

## Cluster Working Groups SWOT Analysis

### EXPLANATION AND CLARIFICATION

Affordable housing shortage. In the 2018 Kaua'i County General Plan it is stated that there is a current deficit of 1,400 housing units across income levels, with a projected need of approximately 9,000 homes by 2035. Additionally, and more importantly, 44 percent of the community is made up of cost-burdened households, meaning that more than 30 percent of their household income is spent on rent or mortgage<sup>76</sup>.

Lack of economic diversity – visitor industry dependent. 19.6% of locals aged 16 and over work in hospitality and 10.8% in retail related work<sup>77</sup>.

High cost of doing business in Hawai'i. Given Hawai'i's high cost of living, the state ranks 48th worst in the nation for "business costs." According to Forbes magazine<sup>78</sup>, the cost of doing business in the islands is 21 percent higher than the national average. "Tourism and the U.S. military are the significant drivers of Hawai'i's \$92 billion economy." Hawai'i has one of the most onerous business tax situations. Another drawback: the highest cost of living in the U.S."

Skilled and unskilled workers deficit. Potential employees have moved off island for opportunity reasons. On island, employees face challenges in getting to work like traffic. Employers are finding it hard to hire because of current higher unemployment benefits resulting from the effects of the COVID-19 pandemic<sup>79</sup>.

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<sup>76</sup> Kauai General Plan 2018 page 39, accessed August 2021, <<https://www.kauai.gov>>

<sup>77</sup> Statistical Atlas, *Industries in Kaua'i County, Hawaii*, accessed September 2021, <<https://statisticalatlas.com/county/Hawaii/Kauai-County/Industries>>

<sup>78</sup> Forbes, *Best States for Business*, accessed August 2021, <[https://www.forbes.com/best-states-for-business/list/#tab:overall\\_search:hawaii](https://www.forbes.com/best-states-for-business/list/#tab:overall_search:hawaii)>

<sup>79</sup> The Garden Island, Shinno, Stephanie, *Workers wanted: Kaua'i business owners say it's hard to hire good workers*", May 9, 2020, accessed September 2021, <<https://www.thegardenisland.com/2021/05/09/business/workers-wanted-kauai-businessowners-say-its-hard-to-hire-good-workers/>>

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# Kaua'i Comprehensive Economic Development Strategic Plan

## Cluster Working Groups SWOT Analysis

### EXPLANATION AND CLARIFICATION

#### Opportunities

Kaua'i Creative Technology Center (KCTC). KCTC stimulates innovation and economic growth within the Creative Industries sector in Hawai'i to establish and/or grow businesses that create or apply technologies that will increase their competitiveness in the Local, State-wide and/or Global economy, thereby creating jobs and generating economic wealth within the Creative Industries sector.

Increased federal economic development funds. Under the American Rescue Plan, The U.S. Economic Development Administration (EDA) was allocated \$3 billion in supplemental funding to assist communities nationwide in their efforts to build back better by accelerating the economic recovery from the coronavirus pandemic and building local economies that will be resilient to future economic shocks.<sup>80</sup> American Rescue Plan funding enables EDA to provide larger, more transformational investments across the nation while utilizing its greatest strengths, including flexible funding to support community-led economic development.

Develop county lands into affordable housing. Cluster recommendations in this opportunity included *development of restrictive housing programs/facilities; increase development of multi-use buildings; affordable housing for students/faculty by possibly working with the construction program and using KCC property to support housing; increasing online offerings.*

Replicate Ha'ena Model<sup>81</sup> in other high impact visitor areas. With limited park access and very limited reserved parking each day, the Kaua'i North Shore Shuttle transports a significant number of park attendees to Hā'ena State Park and in the process helps keep a significant amount of traffic off of the small congested historic roadway - delivering many benefits for both residents and visitors.

Regenerative tourism. It's time to reinvent and rebrand what "quality tourism" means on Kaua'i. Regenerative tourism is "creating the conditions for life to continuously renew itself, to transcend into new forms, and to flourish amid ever-changing life conditions" (Hutchins and Storm, 2019)<sup>82</sup> - through tourism. An opportunity exists to connect with island visitors and encourage them to "give back" while visiting and leave the place better than you found it in areas such as Polihale State Park and Sea Caves. The county is a prime candidate to be an incubator for various regenerative tourism projects.

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<sup>80</sup> US Economic Development Administration, *Funding Opportunities*, accessed August 2021, <<https://www.eda.gov/funding-opportunities/>>

<sup>81</sup> Kaua'i General Plan Update Technical Study, *Kaua'i Climate Change and Coastal Hazards Assessment June 2014*, accessed August 2021, <[https://eos.ucs.uri.edu/seagrant\\_Linked\\_Documents/hawau/TT-13-08.pdf](https://eos.ucs.uri.edu/seagrant_Linked_Documents/hawau/TT-13-08.pdf)>

<sup>82</sup> Hutchins, Giles and Storm, Laura *Regenerative Leadership: The DNA of life-affirming 21<sup>st</sup> century organizations*; Wordzworth Publishing (July 1, 2019)

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# Kaua'i Comprehensive Economic Development Strategic Plan

## Cluster Working Groups SWOT Analysis

### EXPLANATION AND CLARIFICATION

Take advantage of new technologies to improve productivity in all sectors. Opportunities exist in:

- Transportation - *shuttles; car sharing programs; improved use of public transportation (egs. free bus rides); increased bike usage and electric vehicles.*
- Alternative Energy - *underwater turbine that generates electricity without harming the environment.*
- Agriculture – *reducing labor costs; increasing crop qualities; better decision-making capabilities; sensors for irrigation management; drones and robotics.*
- Remote Work - *COVID 19 resulted in an increase in remote work. Kaua'i presents a great location for remote workers worldwide.*

Education and training in all sectors. Opportunities exist for increased intern- and externships; developing relationships in various trades; creating a platform to draw tech and other talent together to network and strengthen the community; incubator projects.

Collaboration within and among other industries/sectors. This opportunity will allow us to change how our workforce works, allow access to a larger talent pool and ease daily traffic. Add values to other industries by bringing technology and science into all sectors.

Expand and increase local food production. Opportunities include *leveraging local agriculture; more support for the farm to table initiative; expanding farm to table to school lunch programs.* This opportunity will help people with food insecurities. Statewide agricultural initiatives that can benefit Kaua'i include the Agribusiness Development Corporation (ADC)<sup>83</sup> with a mission to diversify and provide marketing assistance to the State agribusinesses.

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<sup>83</sup> State of Hawai'i Department of Agriculture, *Agribusiness Development Corporation*, accessed August 2021, <<https://www.hawaiiag.org/hdoa/adc.htm>>

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# Kaua'i Comprehensive Economic Development Strategic Plan

## Cluster Working Groups SWOT Analysis

### EXPLANATION AND CLARIFICATION

#### Threats

Disruptions both man-made and natural. Threats include another *pandemic-type event*; *possible cyberattacks*; *supply chain interruptions*; *invasive species like rapid Ohia death and other outside pestilence*; *continued social distancing practices that alter our socializing practices*.

Overtourism. 2021 visitor arrivals on Kaua'i have grown from 3,987 in January to 537,644 through September 2021.<sup>84</sup> This recent rapid resurgence of tourism hinders diversification and efforts to rebuild differently and increases tension/animosity toward visitors<sup>85</sup>. A related issue is misinformation in social media among visitors and geo-tagging of vulnerable island locations not capable of handling large volumes of visitors.

Climate change. The island of Kaua'i is vulnerable to coastal hazards such as hurricanes, tsunamis, and erosion.<sup>86</sup> Coastal flooding, marine inundation, and coastal erosion in particular are expected to exacerbate these hazards. Increasing development in coastal areas not only places more people and property at risk to coastal hazards, but it can also degrade the natural environment and interfere with nature's ability to protect the human environment from severe hazard events.

Infrastructure deterioration. In its 2019 Infrastructure Report Card for Hawai'i<sup>87</sup>, the American Society of Civil Engineers provided an evaluation of some of Hawai'i's key areas of infrastructure, including aviation, bridges, coastal areas, dams, energy, roads, schools, solid waste, stormwater, wastewater, and water. The report indicated that the majority of Hawai'i's infrastructure has been operating beyond its useful life, and some components of systems are over 100 years old. Due to a lack of funding, it has been difficult to effectively maintain and improve the existing infrastructure systems to keep up with increasing usage and rapidly changing lifestyles.

Losing "change" momentum. The threat is the county will revert back to reliance on tourism and away from diversity efforts.

Inflation. The COVID pandemic has disrupted production and distribution (supply chains) resulting in rising prices. The big concern of economists is an inflation cycle, where wages are dramatically raised to meet prices. The average restaurant bill in Hawai'i has increased 6% from January through May 2021. If the trend continues, Hawai'i's real world inflation rate is 12%<sup>88</sup>.

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<sup>84</sup> Hawai'i Tourism Authority, *Monthly Visitor Statistics – September*, accessed October 2021, <<https://www.hawaiitourismauthority.org/research/monthly-visitor-statistics/>>

<sup>85</sup> The Garden Island, Bodon, Sabrina, "*Kaua'i visitor numbers jumped over 1000% since last year*", July 6, 2021, accessed September 2021, <<https://www.thegardenisland.com/2021/07/06/hawaii-news/Kaua-i-visitor-numbers-jumped-over-1000-since-last-year/>>

<sup>86</sup> National Oceanic and Atmospheric Administration, "*What is the Digital Coast?*" accessed September 2021, <<https://coast.noaa.gov/digitalcoast/>>

<sup>87</sup> American Society of Civil Engineers, "*2019 Hawai'i Infrastructure Report Card*" accessed August 2021, <[https://infrastructurereportcard.org/wp-content/uploads/2021/07/ASCE-24199\\_Full-REPORT-2019-FINAL.pdf](https://infrastructurereportcard.org/wp-content/uploads/2021/07/ASCE-24199_Full-REPORT-2019-FINAL.pdf)>

<sup>88</sup> Pacific Business News, "*How bad is inflation in Hawaii really?*", July 8, 2021, accessed August 2021, <<https://www.bizjournals.com/pacific/news/2021/07/08/how-bad-is-inflation-in-hawaii-really.html>>

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# Kaua'i Comprehensive Economic Development Strategic Plan Cluster Working Groups SWOT Analysis

## EXPLANATION AND CLARIFICATION

Change quality of life for residents. As more new residents arrive on Kaua'i from the mainland U.S. and other countries, they bring new ideas and attitudes that can be utilized for the benefit of the Kaua'i community and that can be at odds with the views of longtime residents. According to the Hawaii Tourism Authority's 2020 Resident Sentiment Report<sup>89</sup>, residents felt that visitors were responsible for the traffic, showed no respect for the culture/'aina (land) and contributed to the cost of living and damage to the environment. Among new Kaua'i residents, 49% are transplants from the U.S. mainland, 30% are moving from other counties within Hawai'i, and the remaining 21% are arrivals from other countries<sup>90</sup>. The "quality of life" issue is also exacerbated by the island brain drain referenced in the SWOT weaknesses.

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<sup>89</sup> Hawaii Tourism Authority, "HTA Resident Sentiment Survey 2020 Highlights" page 13, accessed August 2021, <<https://www.hawaiitourismauthority.org/media/6152/hta-resident-sentiment-fall-2020-board-presentation-121720-with-addendum.pdf>>

<sup>90</sup> Department of Business, Economic Development and Tourism, "Population and Economic Projections for the State of Hawai'i to 2045", accessed August 2021, <[https://files.hawaii.gov/dbedt/economic/data\\_reports/2045-long-range-forecast/2045-long-range-forecast.pdf](https://files.hawaii.gov/dbedt/economic/data_reports/2045-long-range-forecast/2045-long-range-forecast.pdf)>



## FINAL CEDS GOAL AREAS, STRATEGIES, OBJECTIVES & PRIORITY ACTIONS



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In a series of meetings during September and October 2021 with the six established cluster groups that participated in the SWOT meetings, the planning committee<sup>91</sup> assisted in the development of Objectives and Priority Actions for four CEDS Goal Areas. These CEDS Goal Areas were developed based on the cluster SWOT analysis and discussions during cluster meetings. The four CEDS Goal Areas and their subsequent strategies are:

**Goal Area 1: Workforce.** Build, attract and retain a 21<sup>st</sup> century workforce.

Strategy 1: Provide workforce with the skills they need to be gainfully employed.

Strategy 2: Assist schools in meeting college and career expectations.

Strategy 3: Address talent gaps and "brain drain" by positioning Kaua'i as a desirable place for people to live and work.

**Goal Area 2: Natural Resources.** Increase adaptability and resilience, particularly regarding natural disasters and climate change.

Strategy 1: Develop a supportive and equitable business development environment for beginning farmers and other enterprises sustainably utilizing or enhancing Kaua'i's agriculture, water or other natural resources.

Strategy 2: Review and monitor existing conservation and sustainability plans for Kaua'i's key natural resources to maintain their availability for responsible economic development use.

Strategy 3: Participate in the re-branding of the visitor experience to ensure Kaua'i's natural assets that are valued and used both by residents and visitors.

**Goal Area 3: Quality of Place.** Support and enhance our island community where all residents and visitors enjoy active, secure, healthy and fulfilled lives.

Strategy 1: Achieve greater food self-sufficiency.

Strategy 2: Enhance the community's ability to thrive.

Strategy 3: Promote healthy lifestyle choices for improved health outcomes and individual prosperity.

Strategy 4: Provide high-speed internet to every home, business and institution.

Strategy 5: Ensure residents have quality, income-appropriate housing choices.

**Goal Area 4: Economy.** Develop plans and continue to build capacity for economic development of the six target industry clusters.

Strategy 1: Increase collaboration.

Strategy 2: Support economic innovation and digitization for all businesses.

Strategy 3: Develop infrastructure.

Strategy 4: Support the development of new businesses and markets for a diversity of products derived from agricultural and technological activity.

Each cluster met twice during the goal setting process. During the first sets of meetings the cluster groups developed initial goal objectives and priority actions. Between the first and second meetings these ideas were reviewed and finalized at the second meeting.

Upon finalizing the individual cluster goal area objectives and priority actions, the planning team analyzed and compiled the data from all the clusters into the final CEDS plan goal area objectives and priority actions. These CEDS plan goal area objectives and strategies follow in this report, along with the individual cluster goal area objectives.

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<sup>91</sup> The planning committee consists of Dennis Higashiguchi (consultant) and Jackie Kaina (project manager).

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## Final CEDS Goal Areas, Strategies, Objectives and Priority Actions

### Goal Area 1: WORKFORCE Build, attract and retain a 21<sup>st</sup> century workforce

#### **STRATEGY 1 PROVIDE WORKFORCE WITH THE SKILLS THEY NEED TO BE GAINFULLY EMPLOYED**

##### Objectives

- Explore and document software development training and development opportunities; types and numbers of IT related jobs currently in the county, including remote jobs.
- Increase career growth path planning in schools and on-the-job.
- Increase and improve training opportunities for new and current workers.

##### Priority Actions

- Demonstrate what areas in agriculture one can make a living and align student internships and academies to job acquisition in these areas.
- Educate current and future agriculture workers on the business aspects of farming including how to take products to market and skills necessary to obtain higher wage positions.
- Increase focus around types of industries that we would like to focus on - cybersecurity/coding.
- Incentivize new high school graduates to remain “on island” for education and employment.
- Continue to reskill people using programs like RISE to WORK.
- Provide assurance that Kaua'i is a safe place to do business (film).

#### **STRATEGY 2 ASSIST SCHOOLS IN MEETING COLLEGE AND CAREER EXPECTATIONS**

##### Objectives

- Increase student interest in careers through increased experiential learning, internships and partnerships among schools, KCC and the business community.
- Increase the development and training for career pathways. (Kaua'i Community College, Office of Continuing Education and Training, and High Schools)
- Market visitor industry positions as opportunities for growth.

##### Priority Actions

- Increase opportunities through the Office of Continuing Education and Training.
- Seek scholarships to fund career path online training.
- Encourage industry participation in school career academies and work/study programs.
- Work with partners - schools, external agencies, zoos, farms etc. - to promote engagement.
- Increase shadowing and mentoring programs to ensure the students understand the jobs.

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## Final CEDS Goal Areas, Strategies, Objectives and Priority Actions

### **STRATEGY 3 ADDRESS TALENT GAPS AND "BRAIN DRAIN" BY POSITIONING KAUAI AS A DESIRABLE PLACE FOR PEOPLE TO LIVE AND WORK**

#### Objective

- Determine the type of workforce necessary to sustain future County needs including competitive wages. (What would incentivize you to work, have a life and live here?)
- Continue to increase affordable housing availability.
- Increase the appeal of visitor industry jobs.
- Increase CNAs, NPs and APRNs.

#### Priority Actions

- Increase available talent required to maintain infrastructure improvements.
- Increase jobs that promote the value of Hawaiian culture knowledge.
- Build trust among cultural practitioners and the business community.
- Support Kauai Visitors Bureau in implementation of the Kaua'i Destination Management Action Plan 2021-2023.
- Explore remote work opportunities in the Visitor Industry space.

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## Final CEDS Goal Areas, Strategies, Objectives and Priority Actions

Goal Area 2: NATURAL RESOURCES Increase adaptability and resilience, particularly regarding natural disasters and climate change.

### **STRATEGY 1 DEVELOP A SUPPORTIVE AND EQUITABLE BUSINESS DEVELOPMENT ENVIRONMENT FOR BEGINNING FARMERS AND OTHER ENTERPRISES SUSTAINABLY UTILIZING OR ENHANCING KAUA'I'S AGRICULTURE, WATER OR OTHER NATURAL RESOURCES**

#### Objectives

- Align County's Climate Adaptation plan with CEDS. (Adopt 2023)
- Increase the capacity and growth of the food hub movement.
- Increase focus on how to monetize performing arts.

#### Priority Actions

- Expand the Farm-to-Table Programs.
- Support initiatives to monetize arts and culture - performances, classes/workshops, Q&A sessions, and community ceramics center.
- Create more food hub aggregation sectors.
- Promote sustainability certification to local tourism operators.
- Produce a voluntary "code of standards" that seeks to balance market realities, artistic freedom, and resident desires for cultural authenticity.
- Build partnerships with people who have done this - New Zealand, Israel and Netherlands.

### **STRATEGY 2 REVIEW AND MONITOR EXISTING CONSERVATION AND SUSTAINABILITY PLANS FOR KAUA'I'S KEY NATURAL RESOURCES TO MAINTAIN THEIR AVAILABILITY FOR RESPONSIBLE ECONOMIC DEVELOPMENT USE**

#### Objectives

- Maintain adequate access to water for small farmers.
- Identify a mechanism to "pull all healthcare resources into one bucket" in the event of a natural disaster/pandemic.
- Increase education and involvement of visitors and residents in sustaining areas on island.

#### Priority Actions

- Implement the actions listed in the Respect for Natural and Cultural Resources section of the Kauai Destination Management Action Plan 2021-2023.
- Explore transportation solutions including increased use of shuttles, reducing the number of rental cars and mobility hubs.
- Begin natural resource conservation and sustainability training before visitors arrive in Hawaii.
- Educate visitors on how to "give back" by finding out how their talents can benefit the preservation of island natural resources.
- Develop an Ambassadors program in every hotel tied to natural resources activities.
- Outreach to determine what natural resources are a priority and must be protected.

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## Final CEDS Goal Areas, Strategies, Objectives and Priority Actions

### **STRATEGY 3 PARTICIPATE IN THE RE-BRANDING OF THE VISITOR EXPERIENCE TO ENSURE KAUAI'S NATURAL ASSETS ARE VALUED AND USED BOTH BY RESIDENTS AND VISITORS**

#### Objectives

- Increase “user satisfaction” with opportunities and experiences connected to Kauai’s natural resources.
- Reengineer the visitor industry on Kauai to include healthy aspects of the County.
- Increase balanced use of and protection for natural resource attractions for both visitors and locals including the Na Pali Coast, Polihale, Wailua Falls and Waimea Canyon Lookout.

#### Priority Actions

- Increase visitor opportunities that are more about the experience and relationships and less about transactions.
- Support “regenerative tourism” experiences whereby visitors collaborate with the local population in the protection and enrichment of our natural resources.
- Rebrand tourism to include integration of natural resources, agriculture, farming and ranching in the visitor experience.
- Support an aggregate hub that would help farmers to distribute their products.
- Encourage various ways to “patrol” parks or scenic areas with high visitor counts – citizen volunteer groups, parking attendants, food vendors etc.
- Produce a voluntary “code of standards” that seeks to balance market realities, artistic freedom, and resident desires for cultural authenticity.

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## Final CEDS Goal Areas, Strategies, Objectives and Priority Actions

Goal Area 3: QUALITY OF PLACE Support and enhance our island community where all residents and visitors enjoy active, secure, healthy and fulfilled lives.

### **STRATEGY 1 ACHIEVE GREATER FOOD SELF-SUFFICIENCY**

#### Objectives

- Increase the capacity to plan for and achieve food self-sufficiency.
- Support new initiatives such as vertical farming models, aquaponics, indoor farming, etc.
- Include greater community food systems and local food networks in events/expos.

#### Priority Actions

- Serve as a vehicle to promote, support food self-sufficiency.
- Include greater community food systems and local food networks in events/expos.
- Collaborate with local representative from the United Nations Food and Agriculture Organization in North America.
- Work with DOE's procurement process to facilitate product sales.
- Explore a co-op model for food distribution. (egs., Shared processing facility & chill box; wholesalers willing to purchase lower grade produce)

### **STRATEGY 2 ENHANCE THE COMMUNITY'S ABILITY TO THRIVE**

#### Objectives

- Address the issue of maintaining permanent affordability instead of short term sunset clauses that allow affordable housing to be converted to market value housing after a short period of time, thus reducing the inventory of affordable housing.
- Increase the promotion of Kaua'i Arts.
- Increase communication between residents and the visitor industry community.

#### Priority Actions

- Promote a "tech to work"<sup>92</sup> type of initiative.
- Connect tech experts with Kauai by promoting conferences such as "Aloha-in-Motion" by Leadership Kaua'i.
- Create activities that bring all stakeholders (including community members, community groups and tourism leaders and staff) together to share updates, data and ideas on Kaua'i's visitor industry.
- Support and increase the numbers and types of arts festivals that both locals and visitors can participate in and attend.
- Create a clearinghouse for information about arts and culture activities. (Kaua'i Festivals.com)
- Support Culture and Arts in Public Spaces initiatives.
- Expand the use/access to services of the Ho'ike TV.

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<sup>92</sup> Training long-term unemployed for middle-skill occupations in the Information Technology sector.

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## Final CEDS Goal Areas, Strategies, Objectives and Priority Actions

### **STRATEGY 3 PROMOTE HEALTHY LIFESTYLE CHOICES FOR IMPROVED HEALTH OUTCOMES AND INDIVIDUAL PROSPERITY**

#### Objectives

- Increase transportation methods supporting the multi-modal County initiative.
- Increase exposure of residents (students and community) to jobs which are less visible. (i.e. remote workers and small businesses)
- Incorporate art in open spaces.
- Lead with Hawaiian values.

#### Priority Actions

- Increase identification of healthy agriculture products.
- Develop a Food and Agriculture strategic plan.
- Identify and collect data that reflects the overall health of the county.
- Grow job sectors with the highest demand and with higher income opportunities. (technology-related jobs)
- Develop a slack channel for technology workers.

### **STRATEGY 4 PROVIDE HIGH-SPEED INTERNET TO EVERY HOME, BUSINESS AND INSTITUTION**

#### Objectives

- Increase access and connectivity to reliable high-speed broadband internet.

#### Priority Actions

- Support DLIR and Broadband Hui's efforts.
- Support Data Center Initiative.
- Establish social media sites to mitigate theft.
- Provide access to satellite broadband in outlying areas.
- Provide training to kupuna on the benefits of technology and how to take advantage of these benefits.

### **STRATEGY 5 ENSURE RESIDENTS HAVE QUALITY, INCOME-APPROPRIATE HOUSING CHOICES**

#### Objectives

- Increase collaboration among county agencies and organizations working to improve the affordable housing issues.
- Coordinate county-wide efforts to improve access to affordable housing.
- Examine affordable housing options.

#### Priority Actions

- Revisit the KCC student and Faculty Housing Study (2019) for opportunities in the college housing space.
- Continue to explore affordable housing options for healthcare workers. (Mahelona Hospital Plan)
- Explore working with KCC on the on-campus housing.
- Develop work and housing co-locations.
- Develop a housing program that would entice the younger generation of farmers by utilizing the agricultural housing ordinances on farms.

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## Final CEDS Goal Areas, Strategies, Objectives and Priority Actions

Goal Area 4: ECONOMY Develop plans and continue to build capacity for economic development of the six target industry clusters

### **STRATEGY 1 INCREASE COLLABORATION**

#### Objectives

- Increase synergy in achieving plan objectives through collaboration with other clusters.
- Increase communication between businesses and the county.

#### Priority Actions

- Make CEDS plan information/progress available, with public and not only with working groups.
- Create a dashboard for the clusters to monitor projects progress that will remain current. (i.e. Kaua'i Forward website can house this)
- Develop aggregation centers and co-ops that will allow small farmers to offer restaurants, hotel and other customers the required amount of agriculture products.
- Create and sustain a resource directory that contains information about all the clusters along with business related tools. (egs. templates for business plans)
- Partner with organizations like the Chamber of Commerce and the BBB to gather data about the size and scope of the culture and arts community on Kaua'i.

### **STRATEGY 2 SUPPORT ECONOMIC INNOVATION AND DIGITIZATION FOR ALL BUSINESSES**

#### Objectives

- Increase communication and learning among startup businesses.
- Increase remote workers/jobs on island.

#### Priority Actions

- Develop and support initiatives to prepare our younger workforce to compete for remote job opportunities in computer and digital media products.
- Co-locate startups in one location – incubation center, media center (Ho'ike).
- Increase support for training in the trades through participation in the school academies.
- Increase use of a variety of social media tools (i.e. MS, Adobe, Google, etc.) to network and market among businesses.

### **STRATEGY 3 DEVELOP INFRASTRUCTURE**

#### Objectives

- Increase use of alternative modes of ground transportation.
- Conduct an assessment to identify and prioritize future infrastructure needs.

#### Priority Actions

- Support Hawaii Broadband Strategic Plan<sup>93</sup>.
- Support Data Center initiative.
- Repurpose buildings. (See Natural Resources Goal Area – Strategy 3)

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<sup>93</sup> Department of Business, Economic Development and Tourism, *Hawaii Broadband Strategic Plan October 2020 Edition*, accessed November 2021, < <https://broadband.hawaii.gov/wp-content/uploads/2020/11/Hawaii-BB-Plan-2020-FINAL>>

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## Final CEDS Goal Areas, Strategies, Objectives and Priority Actions

### **STRATEGY 4 SUPPORT THE DEVELOPMENT OF NEW BUSINESSES AND MARKETS FOR A DIVERSITY OF PRODUCTS DERIVED FROM AGRICULTURAL AND TECHNOLOGICAL ACTIVITY**

#### Objectives

- Increase on-island learning opportunities for tech jobs.
- Increase vertical farming opportunities.
- Increase opportunities to “develop and incubate” new businesses by encouraging entrepreneurship.

#### Tactics

- Explore the feasibility of a Kauai Innovation Center (Incubator).
- Educate new businesses and potential new businesses on how to do business on Kauai.
- Integrate KERST Plan, Kaua'i General Plan and the Kaua'i Destination Map recommendations into CEDS plan.
- Expand the Kaua'i made program, market, promote and brand beyond Kaua'i.

**Kaua'i Comprehensive Economic Development  
Strategic Plan  
Evaluation Framework**



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# Kaua'i Comprehensive Economic Development Strategic Plan Evaluation Framework

## EVALUATION FRAMEWORK EXPLANATION

The evaluation framework establishes the key indicators that measure progress toward the CEDS goals. This section will require identifying baseline measures for some Natural Resources and Quality of Life indicators. This section contains a section for the various collaborators that will be involved in implementing specific strategies, and collecting and analyzing the data necessary for reliable evaluation.

## HOW WE MEASURE PROGRESS

Future CEDS updates will rely on this framework to know which strategies are working and which are not. By agreeing upon a set of clear and meaningful indicators, adjusting strategies and tactics when necessary, collaborating stakeholders can create a culture of continuous improvement.

# Kaua'i Comprehensive Economic Development Strategic Plan Evaluation Framework

## Goal Area 1: WORKFORCE Build, attract and retain a 21<sup>st</sup> century workforce

	KEY INDICATORS	2021	2026	GOAL AREA CLUSTER MEMBERS <sup>94</sup>
GOAL AREA 1: WORKFORCE	Number of people employed	30,250 <sup>95</sup>	↑	
	Number of people in the labor force	33,050 <sup>96</sup>	↑	
	Number of computer, engineering and science jobs	874 <sup>97</sup>	↑	
	Total county population	72,293 <sup>98</sup>	↑	
	Population for whom poverty status is determined	6,112 <sup>99</sup>	↓	

<sup>94</sup> These members will be determined at the time goal-specific priority actions and action plans are developed.

<sup>95</sup> 2019 American Community Survey, *Employment Status*, accessed October 2021 <<https://data.census.gov/>>

<sup>96</sup> Ibid

<sup>97</sup> Ibid

<sup>98</sup> Ibid

<sup>99</sup> Ibid

## Kaua'i Comprehensive Economic Development Strategic Plan Evaluation Framework

Goal Area 2: NATURAL RESOURCES Increase adaptability and resilience, particularly regarding natural disasters and climate change.

	KEY INDICATORS	2021	2026	GOAL AREA CLUSTER MEMBERS <sup>100</sup>
GOAL AREA 2: NATURAL RESOURCES	Growth in the numbers of businesses involved in “green tourism”.	TBD	↑	
	Reduction in the number of vehicles available on island.	TBD		
	Condition of natural resource attractions.	TBD	↑	
	Number of new farmers and green businesses.	321 <sup>101</sup>	↑	
	Growth in food hub aggregation sectors.	TBD	↑	

<sup>100</sup> These members will be determined at the time goal-specific priority actions and action plans are developed.

<sup>101</sup> 2019 American Community Survey, “Occupation for the Civilian Population 16 Years and Over”, accessed October 2021 <<https://data.census.gov/>>

## Kaua'i Comprehensive Economic Development Strategic Plan Evaluation Framework

Goal Area 3: Quality of Place Support and enhance our island community where all residents and visitors enjoy active, secure, healthy and fulfilled lives.

	KEY INDICATORS	2021	2026	GOAL AREA CLUSTER MEMBERS <sup>102</sup>
GOAL AREA 3: QUALITY OF PLACE	Percent of island served by high speed internet	92.7% <sup>103</sup>	↑	
	Affordable housing inventory in county	TBD	↑	
	Total county population	72,293 <sup>104</sup>	↑	
	Shelter to income ratio over 40%	TBD	↓	
	\$ purchased by DOE from local farmers	TBD	↑	
	Percent of homeownership	67.4% <sup>105</sup>	↑	

<sup>102</sup> These members will be determined at the time goal-specific priority actions and action plans are developed.

<sup>103</sup> Hawaii Internet Coverage and Availability, *BroadbandNow*, accessed November 2021,

<<https://broadbandnow.com/Hawaii>>

<sup>104</sup> 2019 American Community Survey, *Employment Status*, accessed October 2021 <<https://data.census.gov/>>

<sup>105</sup> 2019 American Community Survey, *Employment Status*, accessed October 2021 <<https://data.census.gov/>>

## Kaua'i Comprehensive Economic Development Strategic Plan Evaluation Framework

Goal Area 4: Economy Develop plans and continue to build capacity for economic development of the six target industry clusters

	KEY INDICATORS	2021	2026	GOAL AREA CLUSTER MEMBERS <sup>106</sup>
GOAL AREA 4: ECONOMY	Number of jobs (Kauai County)	25,700 <sup>107</sup>	↑	
	Number of business establishments (Kauai County)	2,196 <sup>108</sup>	↑	
	Median household income (Kauai County)	\$83,554 <sup>109</sup>	↑	
	Population for whom poverty status is determined	6,112 <sup>110</sup>	↓	
	Visitor Spending	\$126.5 million <sup>111</sup>	↑	

<sup>106</sup> These members will be determined at the time goal-specific priority actions and action plans are developed.

<sup>107</sup> Monthly Economic Indicators, *Department of Business, Economic Development and Tourism*, accessed November 2021, <https://dbedt.hawaii.gov/economic/mei/>

<sup>108</sup> Ibid

<sup>109</sup> Ibid

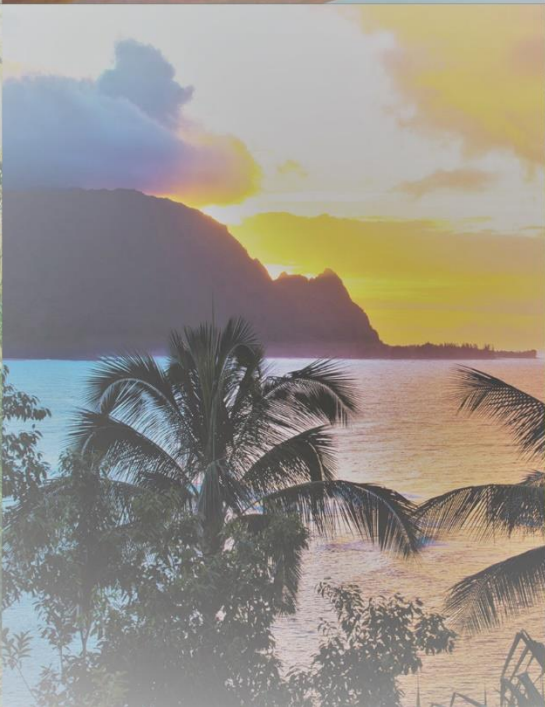
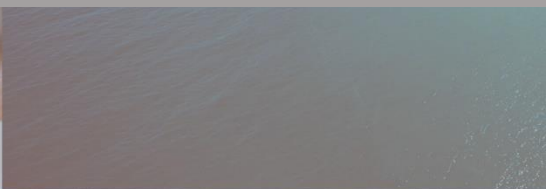
<sup>110</sup> Ibid

<sup>111</sup> Monthly Visitor Statistics, *Hawaii Tourism Authority*, accessed October 2021, <https://www.hawaiitourismauthority.org/research/monthly-visitor-statistics/>



# Kaua'i Comprehensive Economic Development Strategic Plan

## Implementation Plan Recommendation



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Once the final 2022-2025 Kaua'i County CEDS plan is approved, the county should develop a plan implementation process. There several reasons for this:

- Motivation to implement the plan will diminish over time
- Many of the cluster members are responsible for the implementation of other strategic plans. Following an implementation plan will keep cluster members informed and involved.
- Encourages accountability

Following is a plan implementation checklist along with form templates.

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## Post Planning Session Implementation Checklist

As important as creating this five year Kaua'i County CEDS plan is, without proper implementation it is of very little value. To sustain the impetus started with the planning process, it is recommended that the Kaua'i County CEDS Steering Committee begin plan implementation immediately upon approval of the plan.

Following is description of a series of six post-planning Steering Committee meetings designed to create a sustainable plan implementation process. These meetings should begin shortly after final plan approval, continue monthly for six months and quarterly thereafter.

### Meeting #1 Sanction planning team.

The purpose of this first meeting is to *sanction the Steering Committee as the planning team to oversee and manage the overall implementation of the plan*<sup>112</sup>. The agenda for this meeting would include:

- Determining team member roles and responsibilities.
- Developing a team charter to determine the "organizational aspects"<sup>113</sup> among the team members. (See attachments following this write-up for recommendations on developing a Team Charter.)

### Meeting #2 Decide which objectives/key tactics are actionable.

The purpose of this second meeting is to *identify and prioritize the most actionable CEDS plan objectives*. The agenda for this meeting would include:

- Using the criteria of feasibility (can we achieve the objective) and effectiveness (impact on strategy), the planning team will *select* and *prioritize* those objectives that should be implemented initially.
- Developing accountability measures<sup>114</sup> for the objectives. These measures will be used to track overall plan progress.

### Meeting #3 Decide who will address the actionable items.

The purpose of the third meeting is for the Planning Team to identify *team members who will address the actionable items*. The agenda for this meeting would include:

- Developing implementation teams. These teams will initially include Steering Committee members.
- Assigning actionable objectives to teams. Initially, we'll start with one objective per goal per team.
- Implementation teams developing and prioritizing key tactics and tactical measures. (See Meeting #2 above for prioritization criteria.)
- Developing a high level implementation timeline, including milestones and deliverables.

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<sup>112</sup> The Steering Committee may want to seek external consulting help/support for the first three months of plan implementation.

<sup>113</sup> These aspects include *team mission, vision, goals, indicators, meeting schedules and procedures, decision making procedures, conflict resolution recommendations*.

<sup>114</sup> Key Performance Indicators

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#### Meeting #4 Develop a format and system for turning priority issues into measurable program plans.

The purpose of this meeting is to *create a format for action planning and a system for monitoring action plan implementation*. The agenda for this meeting would include:

- The Steering Committee developing a one-year project implementation plan timeline, including milestones and deliverables.
- The Steering Committee developing an action plan format for all teams to use to track progress. (Please see the attachments following this write-up for a sample of an action plan.)
- Implementation teams creating action plans for priority tactics.

#### Meeting #5 Developing scorecards to set and measure progress on a County and cluster basis.

The purpose of this meeting is to *develop scorecards/dashboards at the County and Implementation Team levels that will track plan progress*. The agenda for this meeting would include:

- Both the Steering Committee and the Implementation Teams developing scoreboards.
- The Steering Committee establishing a schedule of regular reporting meetings for both the Steering Committee and the Implementation Teams.

#### Meeting #6 Kickoff Meeting.

The purpose of this meeting is to *formally kick off the planning process*. The agenda for this meeting would include:

- Remarks from Nalani Brun recognizing the Steering Committee and Implementation Teams for their efforts to date.
- A representative from the Steering Committee presents the 2022-23 plan.
- The Implementation Teams presenting their tactical action plans.

#### Execute Plans

Upon completion of the six meetings, the Steering Committee will continue to manage plan implementation activities, following the project plan timeline established in Meeting #4. The following considerations should be taken into account during this phase:

- Regularly judging whether or not outcomes are being achieved based on scorecards.
- Evaluate plan efficacy and reformulate programs/plans as necessary
- Quarterly meetings Steering Committee meetings to assess plan progress.
- A system to communicate plan progress to key stakeholders.

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## ATTACHMENTS

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## DEVELOPING A TEAM CHARTER

A team charter is a helpful tool for sharing group management. It is made up of different elements developed by the team. Once consensus is reached on the content of the team charter, every member should sign the charter, signifying his/her agreement to and support of the charter. Charter elements include:

### **Mission/Purpose Statement**

- Simple statement describing the reason or purpose for the team's existence.

### **Ground Rules/Code of Behavior**

- Set of agreements on how the team intends to work together.
- Standard of behavior the team agrees is necessary for the team to function properly.
- Includes a description of how the team intends to resolve conflicts within the team.

### **Meeting Procedures**

- Description of the scheduling of team meetings.
- Basic processes to be used by the team.
- Description of key roles and responsibilities; team leader, facilitator, member, recorder, scribe, etc.
- Includes a description of how the team will make decisions.

### **Work Plan**

- Listing of the objectives/goals/steps/actions to be pursued by the team over a specific period of time.
- Includes a specification of target dates and team members responsible for each item.
- Should include success indicators or criteria for major goals/steps.
- Helpful tools: Action plan, a gant chart, a pert chart, a timeline.

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## TEAM CHARTER AGREEMENTS

Upon completion of its charter, the team should obtain agreement on:

### ***Team Vision***

- What is our team's vision of a successful team?

### ***Goals***

- What must we accomplish in order to achieve our vision?

### ***Strategies, tactics and action plans***

- How do we go about accomplishing our goals?

### ***Meetings***

- How frequently and where will we meet?
- How will we manage our meeting time?
- Who will manage our meeting time?
- What is our meeting attendance policy?

### ***Communications***

- How will we ensure that individual opinions and concerns are expressed and discussed?
- How will we communicate within the team and between team meetings?
- How will we communicate with other key stakeholders?
- How will we handle confidentiality issues?

### ***Decision Making***

- Who will make decisions?
- How will we make decisions?
- Who will resolve differences regarding decisions?

### ***Stakeholder Relationships***

- Who are the key influencers and what are their expectations of the team?
- How can we build relationships and support them?
- Who from the team should be "border managers"?

### ***Work Processes***

- How will we measure our team's task and process results toward our goals?
- How will we change things that are getting in the way of our producing results?

### ***Recognition***

- How will we periodically celebrate the team's efforts/accomplishments?
- How will we recognize and reward individual accomplishments?
- How will we communicate our results to others outside of the team?

### ***Conflict Resolution***

- How will we resolve conflicts that occur in the team?

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## TEAM CHARTER CRITERIA

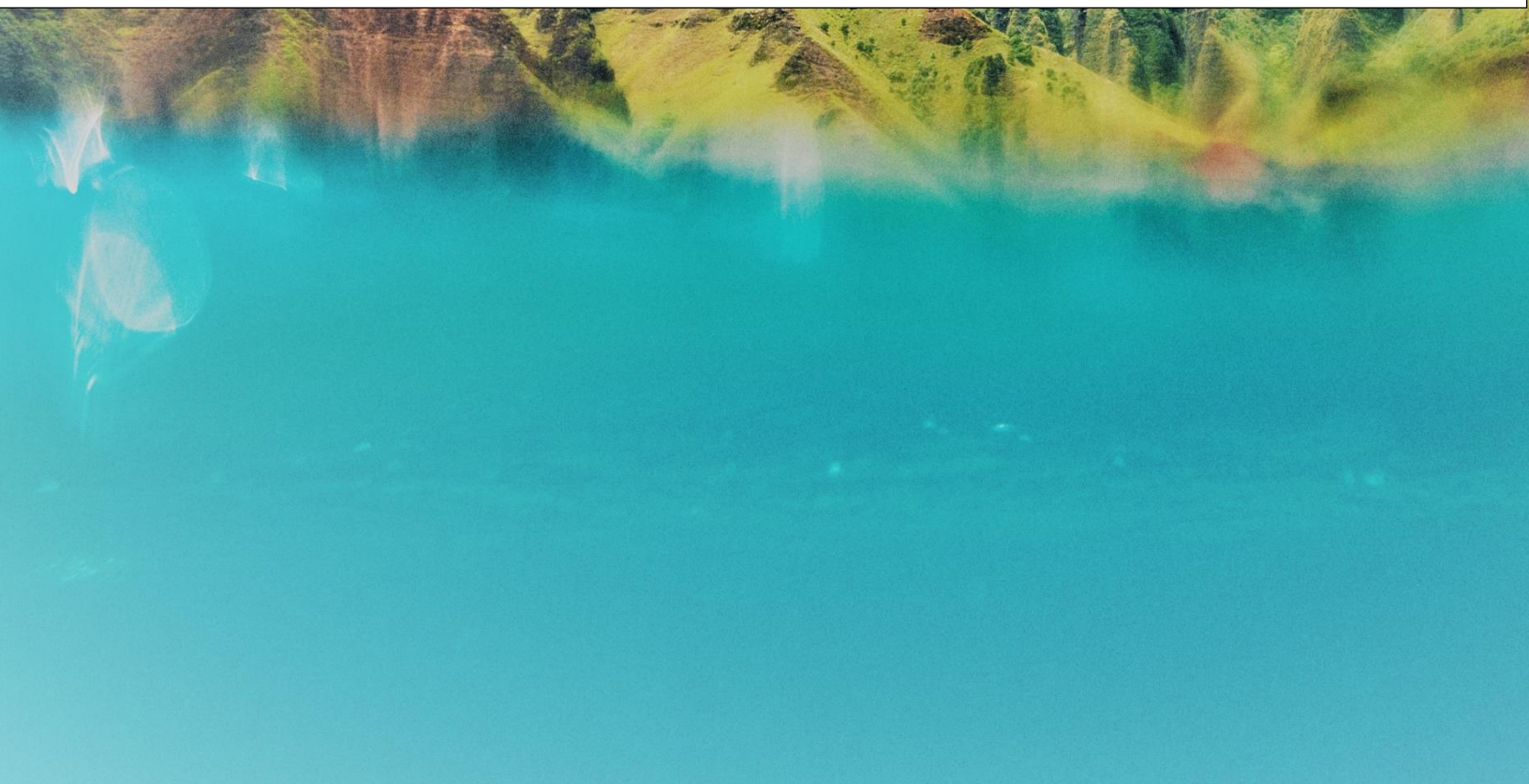
- Be clear and understandable.
- Be brief enough to be memorable.
  - One hundred words or less.
- Be specific about the business of the team, including:
  - Who the team's primary customers are.
  - What customer/client needs the team is attempting to meet.
- Reflect the team's distinctive competency and the results or contributions that others expect from the team.
- Be aligned with the organization's mission, values, vision, and culture.
- Be broad enough to allow flexibility in implementation.
- Have primarily a single strategic focus that is attainable.
- Describe the team's goals and basis for measuring success.
- Serve as a framework for making organizational decisions.
- Demonstrate the team's opportunity to provide added-value contributions.
- Serve as a template by which the team can make decisions.
- Be worded to serve as a source of energy and motivation for the team.

## MANAGEMENT ACTION PLAN (MAP) TEMPLATE

Action Plan (MAP)				Page					
Objective:									
Division/Department/Team			MAP Manager			MAP Code #			
MAP Outcome									
MAP Success Indicators:						Start Date		Complete Date	
						Plan	Actual	Plan	Actual
Event Date		Event or Task			Person Responsible		Status/Outcome		
Plan	Actual								



## **ADDITIONAL MATERIALS AND LINKS**



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## Additional Materials and Links

1. **2016-2020 Kauai CEDS Update** <https://www.kauai.gov/Government/Departments-Agencies/Economic-Development/Kauai-Economic-Development-Plan>
2. **2020 Census – Hawaii data**  
[https://census.hawaii.gov/census\\_2020/data/](https://census.hawaii.gov/census_2020/data/)
3. **Affordable Housing**
  - Wolton, A, “Understanding the affordable housing crisis on Kaua’i”, *The Garden Island*, April 23, 2019, accessed July 2021, <<https://www.thegardenisland.com/2019/04/23/opinion/understanding-the-affordable-housing-crisis-on-kauai/>>
  - City and County of Honolulu, “Resources on Affordable Housing”, accessed July 2021, <<https://www.honolulu.gov/housing/affordable-housing.html>>
  - Community Coalition Kaua’i, “Understanding the Affordable Housing Crisis” accessed, August 2021, <<https://www.communitycoalitionkauai.org/2019/04/15/understanding-the-affordable-housing-crisis/>>”
  - Lay, K, “Council to Vote Today on Fast-Track Housing”, *The Garden Island*, October 20, 2021, accessed October 2021, <https://www.thegardenisland.com/2021/10/20/hawaii-news/council-to-vote-today-on-fast-track-housing/>
  - Hofschneider, A, “Biden’s Spending Bill Could Be A ‘Game Changer’ For Housing in Hawai’i,” *Honolulu Civil Beat* October 21, 2021, accessed October 2021, <<https://www.civilbeat.org/2021/10/bidens-spending-bill-could-be-a-game-changer-for-housing-in-hawaii/>>
4. **Age and Gender**
  - World Population Review, “Kaua’i County, Hawaii Population 2021,” accessed August 2021, <<https://worldpopulationreview.com/us-counties/hi/kauai-county-population>>
5. **Agribusiness**
  - The Economic Research Organization at the University of Hawaii, “Reviving Agriculture to Diversify Hawai’i’s Economy”, January 21, 2021, accessed September 2021, <<https://uhero.hawaii.edu/wp-content/uploads/2021/07/RevivingAgriculturetoDiversifyHawaiisEconomy.pdf>>
6. **ALICE Households**
  - United for Alice Research Center Hawai’i, accessed August 2021, <<https://www.unitedforalice.org/hawaii>>

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## Additional Materials and Links

### 7. Arts and Culture

- National Endowment for the ARTS, “*Hawai‘i Facts and Figures*”, accessed August 2021, <<https://www.arts.gov/impact/state-profiles/hawaii>>
- Department of Business, Economic Development and Tourism, “*Emerging Industries Research*”, accessed September, 2021, <[https://dbedt.hawaii.gov/economic/reports\\_studies/emerging-industries/](https://dbedt.hawaii.gov/economic/reports_studies/emerging-industries/)>
- Department of Business, Economic Development and Tourism, “*Hawai‘i’s Creative Industries*,” accessed May 2021, <[https://files.hawaii.gov/dbedt/economic/data\\_reports/hawaii-creative-report/HI\\_Creative\\_Ind\\_2019.pdf](https://files.hawaii.gov/dbedt/economic/data_reports/hawaii-creative-report/HI_Creative_Ind_2019.pdf)>

### 8. CEDS Content Guidelines, U.S. Development Administration <https://eda.gov/ceds>

### 9. Climate Change

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