



HIRESA Policy Board Meeting No. 1

HAWAI'I REGIONAL ECONOMIC STEWARDSHIP AND
ADVANCEMENT ECONOMIC DEVELOPMENT DISTRICT
TUESDAY, MAY 26, 2026
1:00PM – 3:00PM



National Association of Development Organizations

JOE MCKINNEY
EXECUTIVE DIRECTOR



NADO OVERVIEW

May 2026





About NADO



The **National Association of Development Organizations** (NADO) is a 501(c)(4) membership organization that represents the interests of regional community and economic development practitioners.

NADO represents more than 500 **Regional Development Organizations** (RDOs) across the country that provide regional planning and local community and economic development services. RDOs are sometimes known locally as Councils of Government (COGs), Planning and Development Districts (PDDs), Regional Planning Councils (RPCs), Area Development Districts (ADDs), or by other similar names.

These organizations collectively assist thousands of cities, counties, and towns with community development, economic development, workforce training, transportation planning, public infrastructure, affordable housing, disaster prevention, rural capacity-building, regional planning, and the provision of other community services.

Since its establishment in 1967, NADO has advocated on behalf of RDOs and the programs and policies that support their important work. Additionally, NADO's affiliate 501(c)(3) Research Foundation, established in 1988, provides technical assistance, education, research, and training to support and strengthen the national network of RDOs.

www.nado.org

What We Do

NADO advocates for programs and policies that support the success of Regional Development Organizations (RDOs) and community and economic development practitioners. The **NADO Research Foundation** provides technical assistance designed to support and enhance the success of RDOs and the work they do in their regions. Some of the key focus areas of RDOs' initiatives and programs are shown below.

**ECONOMIC
DEVELOPMENT**



**WORKFORCE
DEVELOPMENT**



**TRANSPORTATION
PLANNING**



**PUBLIC
HEALTH**



**GRANT WRITING &
PROJECT ADMINISTRATION**



HOUSING



**URBAN & RURAL
PLANNING**



LENDING



**RURAL DEVELOPMENT
& AGRICULTURE**



**LOCAL
LEADERSHIP**



INFRASTRUCTURE



BROADBAND



Why Our Work Is Important

How does NADO's work support rural economic development?

NADO advocates for the programs and policies that help support the success of Regional Development Organizations (RDOs) and their communities.

Regional Development Organizations are important because:

- RDOs station trusted economic development professionals in local communities across the country.
- RDOs implement local projects; leverage private sector funding; broker deals with companies and industry partners; ensure the readiness of industrial sites for businesses; and help create jobs for American workers.
- RDOs support rural America, economically distressed regions, and working-class communities.
- RDOs help ensure responsible fiscal stewardship of federal funding, and they assist other local grantees in adhering to federal compliance requirements.
- RDOs help identify which local projects are of greatest importance to local workers, businesses, and families.
- RDOs provide local planning expertise, which lays the foundation for successful project implementation. For example, RDOs develop Comprehensive Economic Development Strategies (CEDs), a process which is a prerequisite to receiving subsequent project implementation funding from the U.S. Department of Commerce Economic Development Administration.

Advocacy Priorities

Economic & Community Development

- Increase federal funding for community and economic development programs
- Increase federal funding for the U.S. Department of Commerce Economic Development Administration (EDA)
- Continue to ensure the successful implementation of the Economic Development Reauthorization Act of 2024

Rural Capacity Building

- Reauthorize the Farm Bill, and increase federal investments in rural development programs and rural intermediary orgs

Surface Transportation Reauthorization

- Reauthorize the Infrastructure Investment and Jobs Act, and increase investments in Metropolitan Planning Organizations (MPOs) and Regional/Rural Transportation Planning Organizations (RTPOs)

Workforce Development

- Reauthorize the Workforce Innovation and Opportunity Act, and increase investments in Workforce Development Boards and skills training programs

Learn more:

- <https://www.nado.org/advocacy-action-center/>
- <https://www.nado.org/advocacy-blog/>

Key Programs

Economic Development District Community of Practice

- This program provides tools, resources, and networking opportunities to strengthen the work and organizational capacity of EDDs
- Learn more: <https://www.nado.org/eddcop/>

Emerging Leaders Program

- This program provides early to mid-career EDD staff members with the education and skills required to lead a high-performing EDD
- Learn more: <https://www.nado.org/emergingleaders>

Awards

- NADO's award programs provide opportunities for NADO members to be recognized for their successes and promote their achievements to a national audience
- Learn more: <https://www.nado.org/awards/>

Rural Transportation and RPO America

- NADO's rural transportation initiatives provide technical assistance and resources designed to support rural transportation planning professionals
- Learn more: <https://ruraltransportation.org/>

Upcoming Events



2026 Economic Development Conference for the EDA Atlanta Region

July 21 – 23, 2026

Atlanta, Georgia



2026 National Regional Transportation Conference

July 20 – 22, 2026

Atlanta, Georgia



2026 NADO Annual Training Conference

October 19 – 22, 2026

Reno, Nevada



2027 NADO & DDAA Washington Conference

March 7 – 10, 2027

Arlington, Virginia



**Comprehensive Economic
Development Strategy (CEDS):
Statewide Highlights**



Redesigning Hawai‘i’s Economy for Resilience

STRENGTHENING ANCHOR SECTORS
Focusing on sectors driving Hawai‘i’s economy and ensuring workforce readiness

CULTIVATING EMERGING SECTORS
High-growth industries

DEVELOPING WORKFORCE & HUMAN CAPITAL
Aligning education with high-need and emerging sectors

ECONOMIC FOUNDATIONS
Building and updating key infrastructure to support growth

- Emerging and Anchor Sectors**
- Food Security
 - Energy Security
 - Creative Industries
 - Advanced Manufacturing
 - Tourism
 - Healthcare

Food Security

- Central Oahu Agriculture and Food Hub
- Food and Product Innovation Network
- Over \$40M in acquisitions of ~1,100 acres and land transfers of over 19,000 acres



Central Oahu Agriculture and Food Hub Groundbreaking
(Courtesy of ADC)

2023 Hawai'i State CEDS Alignment:

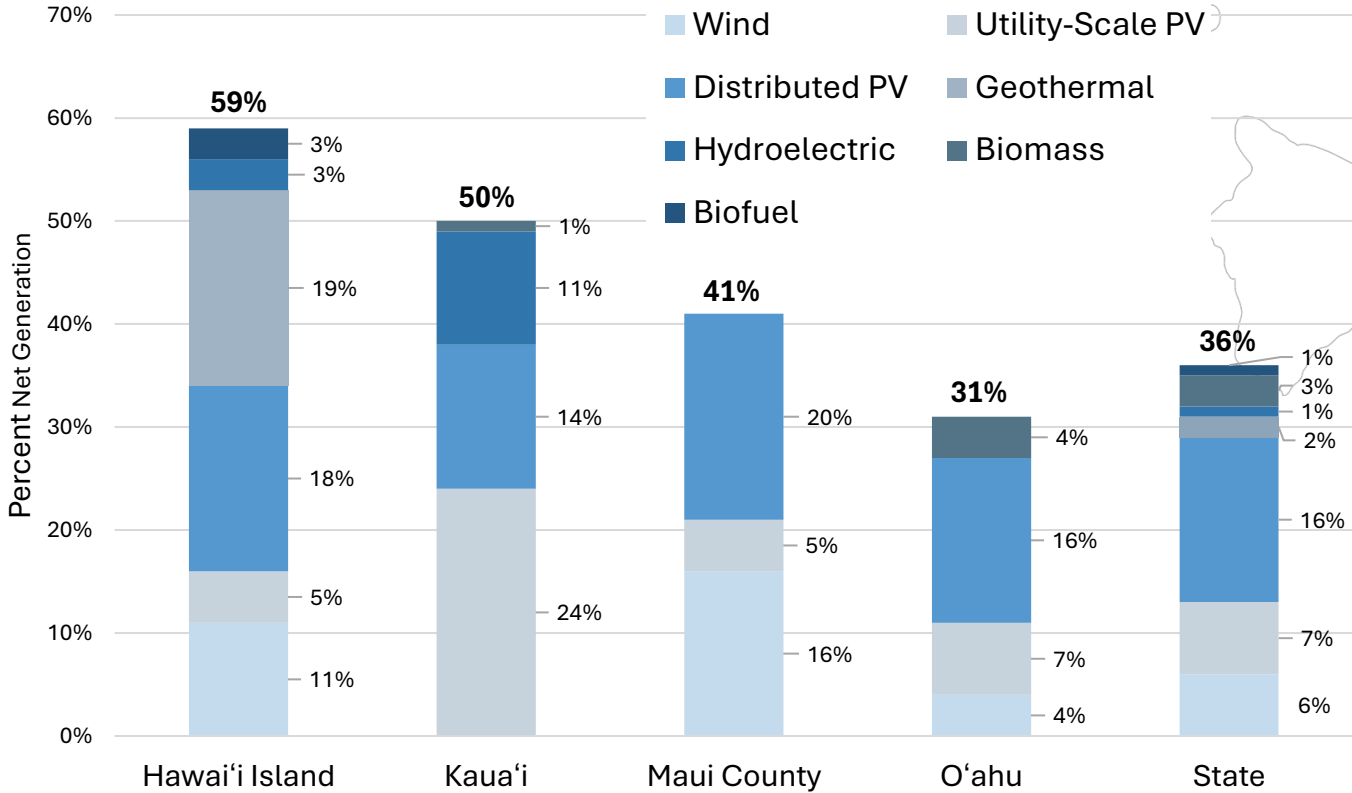
- **GOAL:** Grow Hawai'i's agricultural and aquaculture sectors (including non-food production) to diversify the economy, build resilient systems, and increase self-sufficiency while protecting Hawai'i's natural and cultural resources
- **PRIORITY ACTIONS:**
 - Establish food hubs... to increase access to markets and aggregate services (e.g. distribution, storage, processing, and marketing)...
 - Increase local agricultural-related facilities and access, including processing plants, slaughterhouses, commercial kitchens, storage, and distribution



Energy Security

- Doubled percentage of renewable energy generated since 2014
- HSEO is advancing eHale™, a \$68m electrification and appliance rebate program
- HGIA financed >1bn kWh production / savings

Renewable Power Generation by County



Source: Public Utilities Commission (PUC) Docket 2007-0008. 2024 Renewable Portfolio Standards (RPS) Annual Status Reports

2023 Hawai'i State CEDS Alignment:

- **GOAL:** Meet Hawai'i's energy needs with increasingly efficient and innovative renewable sources and reduced carbon intensity while ensuring affordable, dependable, and resilient energy systems for Hawai'i residents and businesses

Creative Industries

- Hawai'i Film and Creative Industries Development Fund providing capital for local creative projects
- Creative sector job and business creation via UH Good Jobs Hawai'i program
- Film Tax Credit continues to attract successful major production to Hawai'i: live action Lilo & Stitch and Chief of War



ON THE SET IN MAUI, TE KOHE TUHAKA, JASON MOMOA AND SIUA IKALE'O IN "CHIEF OF WAR"
WRITTEN AND PRODUCED BY MOMOA AND THOMAS PA'A SIBBETT, "CHIEF OF WAR" HIRED NEARLY 1,000 LOCAL RESIDENTS
AND PUMPED MORE THAN \$50M INTO THE STATE'S ECONOMY / PHOTO CREDIT: FIFTH SEASON, LLC

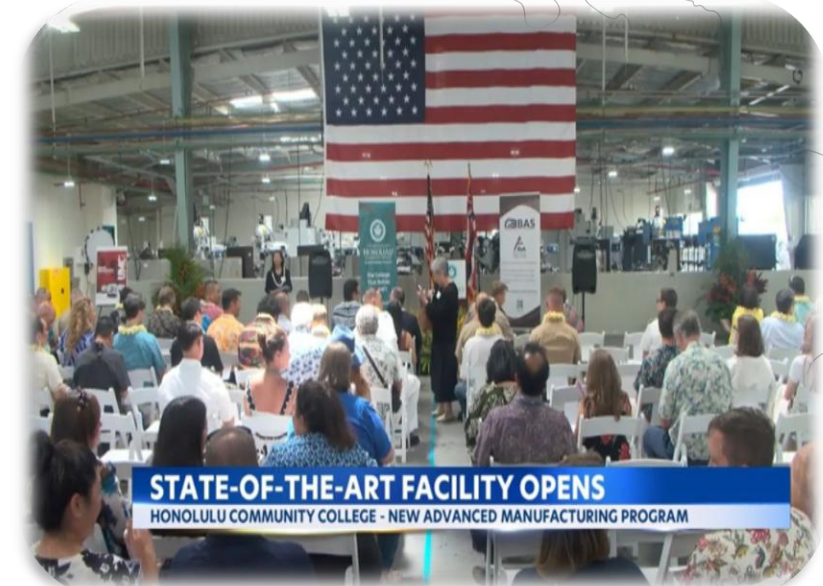
2023 Hawai'i State CEDS Alignment:

- **GOAL:** Expand and strengthen a creative industries sector that reflects Hawai'i's unique culture
- **OBJECTIVE:** Support creative entrepreneurs with business development and resources



Advanced Manufacturing and Technology

- “Forging the Future” initiative launched HCC Advanced Manufacturing Program Facility
- Ku‘i Hao initiative strengthening workforce pathways through upskilling events, discovery fairs, and internships
- HTDC’s Manufacturing Assistance Program continues to award grants to local businesses

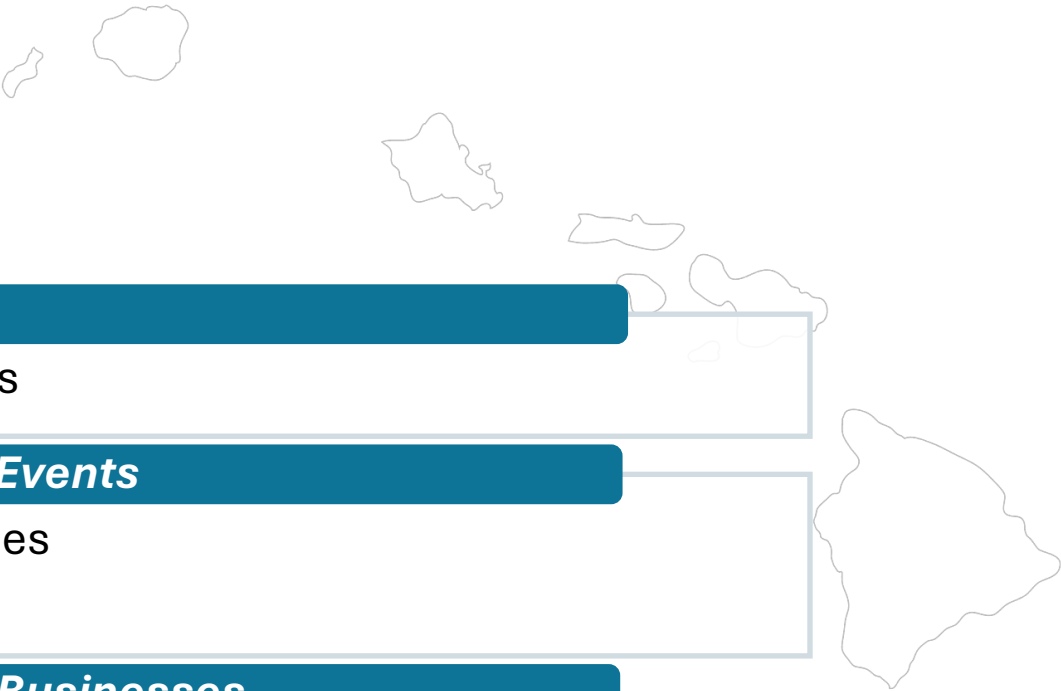


Anchor Training Facility

2023 Hawai‘i State CEDS Alignment:

• PRIORITY ACTIONS:

- Support the creation, development, retention, and profitability of science and technology businesses including advanced manufacturing, advanced manufacturing, aerospace, blue ocean technologies, energy, and research
- Strengthen the pipeline between trade schools and skill-building programs with available jobs at Pearl Harbor Shipyard, National Security Agency, etc.



Tourism

Releasing and Deploying Emergency Funds

- Supporting tourism recovery from recent disasters

Positioning Hawai'i as Attractive Destination for Events

- WSL (World Surf League) Hawaiian Island Pro series
- Collaborations with the Los Angeles Rams

Supporting Tourism Workers, Start-ups, & Small Businesses

- ClimbHi's Lei Program engaging 1,100+ high school students
- Community Regenerative Tourism Collaborative workshops
- Kilohana Collective partnerships and workshops

HTA Continuing to Advance Destination Management Action Plans

- Supported 16 community-based stewardship programs via the Kahu 'Āina program in 2025

2023 Hawai'i State CEDS Alignment:

- **GOAL:** Establish Hawai'i as a leader in regenerative tourism that balances economic, social, and environmental goals and perpetuates cultural values



Healthcare

Programs:

Workforce Development, Certification, and Retention for In-Demand Jobs

- Good Jobs Hawai‘i
- BDSD’s Healthcare Workforce Development Program
- Healthcare Education Loan Repayment

Improvements to Rural Healthcare

- Rural Health Information & Telehealth Networks
- HOME RUN initiative

2023 Hawai‘i State CEDS Alignment:

- **GOAL:** Build a holistic health and wellness sector that equitably improves the quality and years of life for Hawai‘i’s people
- **OBJECTIVES / PRIORITY ACTIONS:**
 - Recruit, retain, and provide training for professionals and businesses in the health care, social services, and wellness sectors
 - Expand certification training for critical jobs in the healthcare system
 - Improve telehealth and broadband access, particularly for neighbor islands, rural communities...



Housing

FY26-27 Budget

- \$500 million to support new housing development
 - Rental Housing Revolving Fund
 - Dwelling Unit Revolving Fund
 - Ka Lei Momi redevelopment initiative

Affordable Housing

- Ka Lei Momi Redevelopment Project (10k+ units)
- HHFDC completed 899 affordable units in 2025

Wildfire Relief & Housing

- Hale ‘O Lā‘ie
- Ka La‘i Ola
- Hawaii Fire Relief Housing Program

PRO Housing

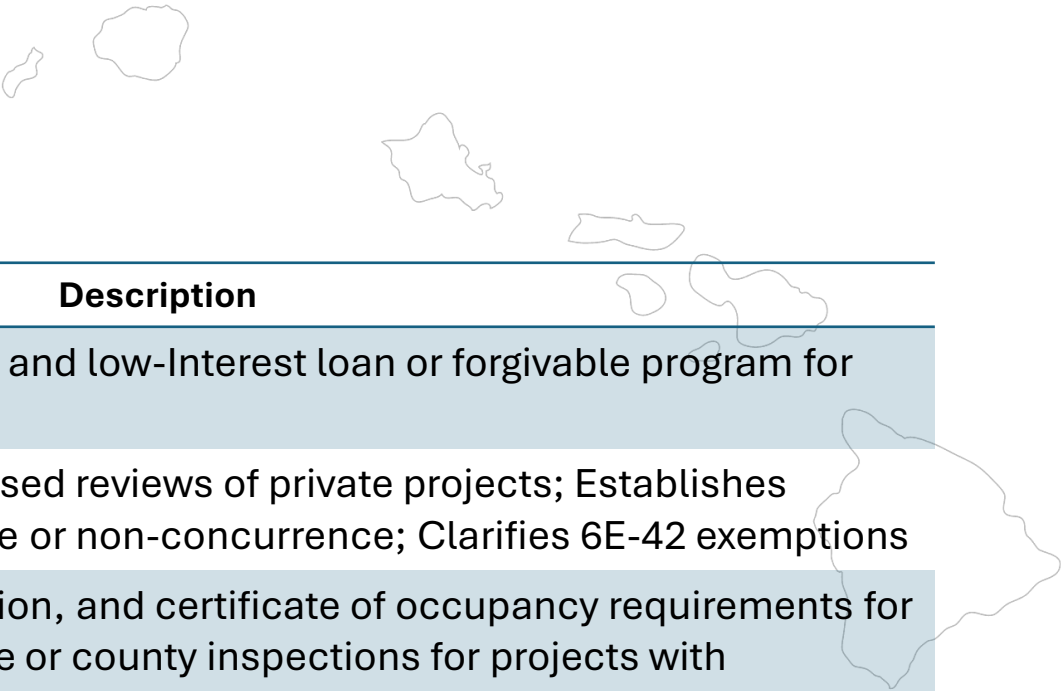
- State Infrastructure Bank
- Development Simulator Project

Affordable Housing Pipeline Dashboard

Units in Pipeline				State Affordable Units in Pipeline	
65,843	49,083	291	30,662	24,158	76
Housing Units	Affordable Units	Affordable Housing Projects*	State-Subsidized Units*	Housing Units	State Projects
		34,695	213,156		
		Projected Jobs Supported*	Projected People Housed*		

2023 Hawai‘i State CEDS Alignment:

- GOAL:** Build a Hawai‘i where housing is affordable and attainable for residents and future generations

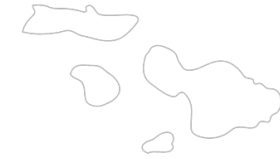


SPEED Task Force

Bill	Core Accomplishment	Description
HB 1618	Financing wastewater infrastructure	Establishes a revolving loan fund and low-Interest loan or forgivable program for cesspool conversions
HB 1710	Streamlining SHPD reviews	Authorizes SHPD to conduct phased reviews of private projects; Establishes deadlines for written concurrence or non-concurrence; Clarifies 6E-42 exemptions
HB 1721	Providing clarity for expedited permits	Clarifies insurance, indemnification, and certificate of occupancy requirements for expedited permits; Requires state or county inspections for projects with expedited permits
HB 2104	Reforming the Island Burial Councils	Extends the time to fill island burial council vacancies; Provides stipends for council members; Adjust the quorum requirement for business
SB 2543	Streamlining permitting for State projects	Office of the State Construction Manager 5 yr Pilot Program; Provides guidance and recommendations on the design review of state construction projects administered by DAGS or DOE on the neighbor islands
SB 2673	Standardizes permitting data	Develops statewide permitting data standard; Requires counties to publish permit data monthly

2023 Hawai'i State CEDS Alignment:

- **PRIORITY ACTION:** Reduce burdensome regulations and streamline state and county approval and permitting processes



Transit-Oriented Development

Wastewater System Capacity in TOD Areas

- Lihue Wastewater Treatment Plant Aeration System Project
- Kealahou Wastewater Treatment Plant Headway Improvement Project

Infrastructure Financing Tools

- Iwilei Community Facilities District Implementation

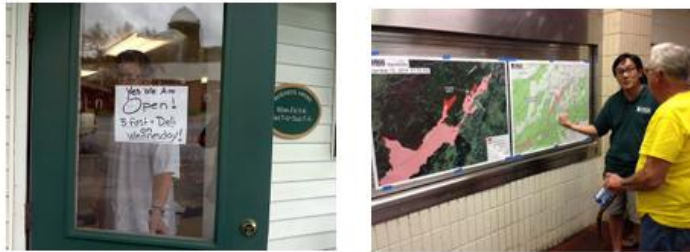
Planning Grants to 25 projects Statewide

2023 Hawai'i State CEDS Alignment:

- **OBJECTIVE:** Promote Transit Oriented Development (TOD) and address TOD infrastructure needs

Natural Disaster Economic Recovery Strategy

NATURAL DISASTER ECONOMIC RECOVERY STRATEGY



Prepared By
SSFM INTERNATIONAL, INC.
With Assistance From
SMS RESEARCH & MARKETING SERVICES, INC.
MARINE AND COASTAL SOLUTIONS INTERNATIONAL, INC.

Prepared For
OFFICE OF PLANNING
DEPARTMENT OF BUSINESS, ECONOMIC DEVELOPMENT & TOURISM
STATE OF HAWAII

December 2014

*This report was prepared under an Award from the
U.S. Department of Commerce
Economic Development Administration.
Award No. 07 69 06349.*



- \$2 million FY27 General Funds (Green Fee) appropriated for update and implementation
 - Pending allotment and release
- Prospecting for FY25 EDA Disaster Supplemental NOFO

The background of the slide features a light blue outline map of the Hawaiian Islands, showing the main islands and surrounding smaller ones. The map is centered and serves as a backdrop for the text.

Comprehensive Economic Development Strategy (CEDS): County of Hawai'i

Economic Growth in Hawaii

Jacqui Hoover, Executive Director
Hawaii Island Economic Development Board

**Comprehensive Economic Development
Strategy (CEDS)**

26 May 2026
HIRSA Policy Board

A night photograph of a mountain landscape. A winding road leads up a dark, rocky slope. In the distance, a bright star is visible in the sky, with a long, curved star trail extending from it. The sky is dark blue with many stars. In the foreground, there are some white structures, possibly observatories, on the left side of the slope.

HAWAII COUNTY

2022 COMPREHENSIVE ECONOMIC
DEVELOPMENT STRATEGY [DRAFT]

Prepared by: Hawai'i Island Economic Development Board

Author: Jacqui Hoover August 2023

PUBLIC REVIEW & COMMENT (01-30 Sept 2022)

West Hawaii Today
FRIDAY, SEPTEMBER 9, 2022 WESTHAWAIIITODAY.COM \$1

CHARTING THE FUTURE

Public invited to comment on draft economic development plan

BY NANCY COOK LAUER
WEST HAWAII TODAY
ncook-lauer@westhawaiiitoday.com

The factors that interact to create a sound island economy are numerous: agricul-

tourism.

Balancing the strengths and weakness of the local economy with a look to the future is the goal of the 2022 Hawaii County Comprehensive Economic

The public is invited to comment on the report, located at https://files.hawaii.gov/dbedt/op/spb/Hawaii_County_CEDS_draft_2022.pdf through Sept. 30. Comments should be

of individuals and organizations and through community meetings. Throughout



of Indigenous Hawaiians were considered, report authors said. This led to the which led to the working slogan of, "Hawaii Island: Our Island - Our

Also Front Page Story in Hawaii Tribune Herald
AND SO IT BEGINS . . .

‘I KA WĀ MA MUA, KA WĀ MA HOPE

LOOKING BACK TO LOOK FORWARD

Developed and designed by Hawai‘i Island Economic Development Board

Graphics and Formatting by Ana Española

The Hawai‘i Island Economic Development Board (HIEDB) is privileged to prepare and update the Comprehensive Economic Development Strategy (CEDS) which is intended to serve as the blueprint for generating economic growth, diversification, job creation, and resiliency for Hawai‘i County. This document was prepared in collaboration with the Economic Development Alliance of Hawai‘i (EDAHA) with funding from the Economic Development Administration (EDA),

U.S. Department of Commerce through the Hawai‘i State Office of Planning and Sustainability (OPSD), Department of Business, Economic Development and Tourism,

This economic roadmap is developed with input from a diverse and large group of Hawai‘i Island residents representing the public, private, and non-profit sectors, following the guidelines released in February 2015 by the U.S. Economic Development Administration. Upon acceptance and approval by the United States Economic Development Administration (EDA), the CEDS positions Hawai‘i County to be eligible for federal funding, and as a roadmap for Hawai‘i County’s economic future through defined goals, objectives, and actionable strategies. Consistency and coordination with other plans such as, including and not limited to, the Hawai‘i 2050 Sustainability Plan, Hawai‘i County General Plan and respective Community Development Plans (CDPs) are also an important part of this strategic effort.

This report was prepared under an award from the U.S. Department of Commerce, Economic Development Administration Award No. 07-69-07760/URI 115663



TABLE OF CONTENTS

4

ACKNOWLEDGEMENTS AND MAHALO

10

METHODOLOGY, PROCESS, AND VISION

Overarching Themes, Objectives, and Strategies

25

HAWAII COUNTY ECONOMIC OVERVIEW

Key Economic Indicators

39

SECTOR INDUSTRIES

Agriculture and Food Systems

Astronomy and Technology

Construction and Infrastructure

Creative Arts and Industries

Education, Knowledge Creation, and Workforce Development

Energy and Resiliency

Environment and Climate Change

Government

Health and Wellness

Hospitality and Tourism

110

EPILOGUE

Our Island – Our Economy – Our Future
`I Ka Wā Ma Mua, Ka Wā Ma Hope – Looking Back to Look Forward

Methodology, Process, and Vision

Work on the Hawai`i County 2022 - 2026 Comprehensive Economic Development Strategy (CEDS) was coordinated by the Hawai`i Island Economic Development Board, Inc. (HIEDB) and initiated in the summer of 2021 during the throes of the COVID-19 pandemic with multiple outreach and community engagement sessions to provide an initial introduction to the CEDS process and overview of prior CEDS plans developed for Hawai`i Island in 2005, 2010, and 2016. This work continued into early 2023, culminating in this document, which is based on four distinct and integrated project phases (for more information on the CEDS process, please visit the U.S. Economic Development Administration Website²):

1. The economic and demographic conditions of Hawai`i County¹ were inventoried and considered to establish an understanding and baseline from which to start development of the CEDS.

1. As required by the Economic Development Administration (EDA) of the U.S. Department of Commerce, a Strategic Advisory Committee (SAC) comprised of diverse stakeholder representation was formed to contribute to the knowledge base developed in phase one (above); validate the analysis and findings; and guide the process and implementation of the CEDS. HIEDB made every effort to reflect the island's diversity in forming the committee. This committee was supported by numerous individuals and community organizations who participated in focus group meetings.

1. Identification of the island's Strengths, Weaknesses, Opportunities, and Threats with SWOT sessions conducted with the SAC and others in online platform meetings convened between October 2021 and February 2023. Information was also developed from one-to-one interviews with stakeholders.

¹ For the purposes of this report, the terms "Hawai`i County," "County of Hawai`i," "Hawai`i Island," "island," and "community" are used interchangeably to refer to Hawai`i County which is coterminous with the Island of Hawai`i and is the specific jurisdiction and geographic area being referred to in this report.

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

Moreover, the group is committed to supporting Hawai'i 2050 Sustainability Plan⁶ and the “*Aloha+ Challenge*, a statewide commitment to sustainability, with the leadership of the Governor, four county Mayors, ... and other public-private partners across the state. The *Aloha+ Challenge: He Nohona 'Ae'oa, A Culture of Sustainability* builds on Hawai'i's history of systems thinking, Hawaiian culture and values, and successful track record on sustainability to outline six ambitious goals to be achieved by 2030 in clean energy transformation, local food production, natural resource management, solid waste reduction, smart sustainable communities (including climate resilience and liveability), and green workforce and education.”⁶

⁶ Honolulu, Hawai'i: Office of Planning, Hawai'i State Department of Business, Economic Development and Tourism. Hawai'i 2050 Sustainability Plan: Charting a Course for the Decade of Action (2020-2030). Accessed: August 20, 2022. <https://hawaii2050.hawaii.gov/wp-content/uploads/2021/07/FINAL-Hawaii-2050-Sustainability-Plan-web-1.pdf>

⁷ Hawai'i Green Growth. The Aloha + Challenge. 2018, accessed April 2022 <https://aloha-challenge.hawaiigreengrowth.org/aloha-goals/>

EPILOGUE

This CEDS is more than just another plan. It is designed to bring Hawai'i Island's economic development to the forefront, engender collaboration, equity, and finding common ground to help guide our island to economic recovery and sustainability.

The COVID-19 pandemic coupled with natural disaster on Hawai'i Island created epic economic challenges for the island's residents and policy makers. Devastating shortages of food and other resources, ALICE families and those living in poverty finding conditions exacerbated by layoffs, businesses permanently closed, and a series of negative impacts left Hawai'i County and its community members once again reaching deep to navigate towards recovery and resiliency.

There are numerous projects and initiatives that the community is working on including and not limited to

- Hana Hou Hilo - Revitalizing Downtown Hilo
- Infrastructure - Extending the Daniel K. Inouye Highway from its current Mamalahoa Terminus to Queen Kaahumanu Highway extending the Daniel K. Inouye Highway from its current Mamalahoa Terminus to Queen Kaahumanu Highway
- Infrastructure - Replacing 40,000+ cesspools, developing new wastewater facilities, repairing roads, bridges, and other transportation infrastructure
- Infrastructure and Traffic Safety in Waimea (Kamuela)
- WATER - identify and develop new potable water resources
- Kailua Village Business Improvement District utility relocation from above to under ground

'I Ka Wā Ma Mua, Ka Wā Ma Hope - Looking Back to Look Forward, the community, stakeholders, and County government will once again prioritize "Our Island - Our Economy - Our Future" and work together to increase resiliency, depend on our cultural and social diversity to build more equity, and navigate towards recovery and shared prosperity.

DRAFT



Epilogue

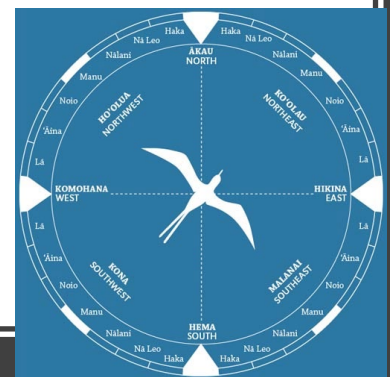
This CEDS is more than just another plan. It is designed to bring Hawai`i Island's economic development to the forefront, engender collaboration, equity, and finding common ground to help guide our island to economic recovery and sustainability, while simultaneously listening to and acknowledging multiple perspectives.

The COVID-19 pandemic, coupled with natural disasters on Hawai`i Island, created epic economic challenges for the island's residents and policymakers. Devastating shortages of food and other resources, ALICE families and those living in poverty are finding conditions exacerbated by layoffs, businesses permanently closed, and a series of negative impacts left Hawai`i County and its community members once again reaching deep to navigate towards recovery and resiliency.

There are numerous projects and initiatives that the community is working on, including, but not limited to

- Hanau Hou Hawai`i – Revitalizing Downtown Hilo
- Infrastructure - Extending the Daniel K. Inouye Highway from its current Mamalahoa Terminus to Queen Kaahumanu Highway
- Infrastructure – Replacing 40,000+ cesspools, developing new wastewater facilities, repairing roads, bridges, and other transportation infrastructure
- Infrastructure and Traffic Safety in Waimea (Kamuela)
- Kailua Village Business Improvement District utility relocation from above to underground
- WATER – identify and develop new potable water resources

ʻI Ka Wā Ma Mua, Ka Wā Ma Hope – Looking Back to Look Forward. In the tradition of Wayfinding, Hawai`i Island and its diverse community, stakeholders, private sector, and County government will once again prioritize “Our Island – Our Economy – Our Future” and work together to increase resiliency, depend on our cultural and social diversity to build more equity, and navigate towards economic recovery and shared prosperity.





OUR ISLAND
OUR ECONOMY
OUR FUTURE

METHODOLOGY AND PROCESS

Work on the Hawai'i County 2022 - 2026 Comprehensive Economic Development Strategy (CEDS) was coordinated by the Hawai'i Island Economic Development Board, Inc. (HIEDB) and initiated in the summer of 2021 during the throes of the COVID-19 pandemic with multiple outreach and community engagement sessions to provide an initial introduction to the CEDS process and overview of prior CEDS plans developed for Hawai'i Island in 2005, 2010, and 2016. This work continued into summer of 2022 culminating in this document which is based on four distinct and integrated project phases:

1. **Baseline Conditions:** The economic and demographic conditions of Hawai'i County⁴ were inventoried and considered to establish an understanding and baseline from which to start development of the CEDS.
2. **Strategic Advisory Committee:** As required by the Economic Development Administration (EDA) of the U.S. Department of Commerce, a Strategic Advisory Committee (SAC) comprised of diverse stakeholder representation was formed to contribute to the knowledge base developed in phase one (above); validate the analysis and findings;

and provide guidance to the process and implementation of the CEDS. HIEDB made every effort to reflect the island's diversity in forming the committee. This committee was supported by numerous individuals and community organizations who participated in focus group meetings.

3. **SWOT Analysis:** Identification of the island's Strengths, Weaknesses, Opportunities, and Threats with SWOT sessions conducted with the SAC and others in on-line platform meetings convened between October 2021 and August 2022. Information was also developed from one-to-one interviews with stakeholders.
4. **Action, Implementation and Measurement:** The preparation of the Hawai'i County CEDS update was done in conjunction with the update of the Hawai'i State CEDS. HIEDB will maintain communications with key stakeholders to facilitate coordination and implementation to assist Hawai'i Island with meeting economic goals, benchmarks, and to leverage and maximize resources, opportunities, and outcomes.

⁴ For the purposes of this report, the terms "Hawai'i County," "County of Hawai'i," "Hawai'i Island," "island," and "community" are used interchangeably to refer to Hawai'i County which is coterminous with the Island of Hawai'i and is the specific jurisdiction and geographic area being referred to in this report.



VISION

The Hawai'i County of Hawai'i Comprehensive Economic Development Strategy (CEDS) 2022 Update Strategic Advisory Committee (SAC) conducted an analysis in May 2022 of Hawai'i Island's Strengths, Weaknesses, Opportunities, and Threats (SWOT) which was considered over the following months along with SWOT analyses done in preceding months by multiple industry sector and community focus groups.

SWOT Common Themes / Trends were identified as

- Affordability, Cost of Living, Poverty
- Diversification
- Education and Workforce Development
- Housing
- Infrastructure
- Innovation and Technology
- Labor Force Shortages
- Water

Throughout the process, Hawai'i's rich culture, heritage, traditions, and resilience of Indigenous Hawaiians were considered, leading to establishing wayfinding⁵ as the foundation for guiding us on our economic journey and developing the 2022 Hawai'i County CEDS. Stakeholders and community participants further emphasized the need to recognize the island's strong pre-pandemic economy, community's sense of place and responsibility for our economy and future, and integrate shared values of Aloha and Indigenous Knowledge, which led to the working slogan of, "*Hawai'i Island: Our Island – Our Economy – Our Future* ʻI Ka Wā Ma Mua, Ka Wā Ma Hope – Looking Back to Look Forward" and vision statement shown above.

In recognition that Hawai'i's geographic isolation supports an economy based on "local" industry sectors and human capital, the SAC continued its wayfinding until arriving at identifying ten key sectors and industry clusters:

1. Agriculture and Food Systems
2. Astronomy and Technology
3. Construction and Infrastructure
4. Creative Arts and Industries
5. Education, Knowledge Creation, and Workforce Development
6. Energy and Resiliency
7. Environment and Climate Change
8. Government
9. Health and Wellness
10. Hospitality and Tourism

From a systems perspective, numerous overarching influences and elements also must be integrated including those that are discussed in the following pages.

VISION

Building upon Hawai'i County's healthy pre-pandemic economy, we strive to develop a more vibrant, sustainable economy; improve resilience to systemic shocks; identify and foster opportunities of shared prosperity for Hawai'i County's diverse communities.

OVERARCHING THEMES, OBJECTIVES AND STRATEGIES

In the process of conducting appreciative inquiry to prioritize the many components that must be considered in laying out an economic development strategy for Hawai'i Island, several consistent desired outcomes emerged. These themes-in-common which reflect the overall desired outcomes for the CEDS, are also important in planning and implementation of strategies to achieve results for the respective sectors.

Affordable and Attainable Housing

Like other jurisdictions, Hawai'i County faces several obstacles that undermine the construction of new workforce and low-income housing which must be addressed including and not limited to: misperceptions of affordable housing, not in my back yard (NIMBY) ideology, rules, and regulations fraught with inadvertent consequences, and lack of alignment between community need and demand for housing and the policies, rules, and regulations put in place.

For example, a report issued by the University of Hawai'i Economic Research Organization (UHERO) in April 2022 confirmed what many had surmised anecdotally without the objective analysis to support their theory. In UHERO's brief "Measuring the Burden of Housing Regulation in Hawaii"⁸ the regulatory barriers

to development in Hawaii are gauged relative to those in other states across the U.S. with high housing costs utilizing information provided by the Wharton Residential Land Use Regulatory Index.⁹ As illustrated in the chart on the next page, Hawai'i County's housing costs is reflected as highest in the nation when compared.

Simultaneously, some Hawai'i County residents and policymakers routinely point to out-of-state purchasers as a key reason for residents being unable to achieve the dream of home ownership. This hypothesis is disputed by the Grassroot Institute of Hawai'i in an August 2022 brief titled "The 'outsider' theory on Hawai'i's housing crisis"¹⁰ analyzing how Hawai'i's home prices are impacted by out-of-state-buyers.

Wharton Index in High Priced Counties



The figure includes the 30 counties in the US with the highest median home prices, as well as Hawaii County.

These factors confirm that housing is a complex societal issue requiring more systemic consideration including determining whether affordable and attainable housing is the true problem, or rather a symptom tied to other cross cutting issues such as cost of living and poverty as we determine our best strategies and priority actions.

As illustrated in the chart **below**, the Wharton Index measurements reflect Hawai'i County's housing costs as highest in the nation in a comparison with thirty (30) other high-priced counties. (Note that Maui, Kauai, and Honolulu Counties also are included).

⁸ Inafuku, Tyndall, and Bonham. Measuring the Burden of Housing Regulation in Hawaii · UHERO accessed 22 August 2022. <https://uhero.hawaii.edu/measuring-the-burden-of-housing-regulation-in-hawaii/> A New Measure of the Local Regulatory Environment for Housing Markets: The Wharton Residential Land Use Regulatory Index — Zell/Lurie Real Estate Center (upenn.edu).

⁹ Gyourko, Saiz, and Summers. "A New Measure of the Local Regulatory Environment for Housing Markets: The Wharton Residential Land Use Regulatory Index" accessed 22 August 2022. <https://realestate.wharton.upenn.edu/working-papers/a-new-measure-of-the-local-regulatory-environment-for-housing-markets-the-wharton-residential-land-use-regulatory-index/>.

¹⁰ Ahokovi, Jensen. "The 'outsider' theory of Hawai'i housing crisis". Accessed 22 August 2022. <https://www.grassrootinstitute.org/wp-content/uploads/2022/08/The-%E2%80%98outsider-theory-of-Hawaiis-housing-crisis.pdf>.



HAWAII COUNTY ECONOMIC OVERVIEW

The County of Hawai'i comprised by the Island of Hawai'i, boasts a land mass of 4,028 square miles that is larger than the combined total square miles (~2,400) of the other seven major islands that comprise the State of Hawai'i.¹⁹ Nicknamed the "Big Island", the sheer size of Hawai'i Island which encompasses 63% of the state's total land mass, is one contributing factor to some of the economic challenges faced by the county and her residents.

Work on the Hawai'i County 2022-2026 Comprehensive Economic Development Strategy (CEDS) was initiated in the summer of 2021 with the convening (on virtual, on-line platforms) of multiple outreach and community engagement sessions to provide an initial introduction to or familiarization with the CEDS process and overview of prior CEDS plans developed for Hawai'i Island in 2005, 2010, and 2016. As work on the CEDS commenced during the throes of the COVID-19 pandemic, the Hawai'i Island CEDS 2022 Update Strategic Advisory Committee often found itself considering the county's past including its near-term pre-pandemic economy to better inform its future economy.

When the last update to the Hawai'i County Comprehensive Economic Development Strategy (CEDS) was done in 2016, the county, its residents,

¹⁹ Honolulu, Hawai'i: Office of Planning, Hawai'i State Department of Business, Economic Development and Tourism. State of Hawai'i Data Book 2021. accessed 12 August 2022 https://HawaiiDataBook_LandAreabyCounty

and businesses, were largely recovered from what was then the deepest and widest global recession experienced since World War II.

In 2018 the island's residents were rocked by the eruption of Kilauea volcano which sent lava into the lower Puna District of the island covering approximately fourteen (14) square miles of land, forced approximately two thousand residents to be evacuated and resulted in the loss of seven hundred (700) homes¹⁹ and recovery costs in excess of \$800 million (2018 USD).²⁰ The eruption which was the most destructive volcanic event in the United States since 1980 when Mount St. Helen erupted in Washington State, also forced the ORMAT Puna Geothermal Venture (PGV) facilities which had produced approximately 25% of the island's electricity to cease operations in May 2018.²¹

PGV was in the process of restarting operations when Hawai'i Governor David Ige in March 2020 issued a Third Supplementary Proclamation in response to the global COVID-19 pandemic declaring "... all persons within the State of Hawai'i are ordered to stay at home or in their place of residence ..."²² further delaying restart of operations and getting geothermal back into the island's electric grid until November 2020.



Significant economic loss is something that Hawai'i Island residents and businesses have faced and innovatively recovered from often throughout the years including the tsunami of 1960 which launched a community driven effort to champion for astronomy as part of the island's economic recovery and diversification.²³

Looking through an historic economic lens, the nineteenth century served as the backdrop for the transformation from the agrarian to

industrial society²⁴ and brought forth seismic changes in the way people live, work, and develop the economy. With the advent of globalization, use of technology, remote learning, remote work, and other shifts began advancing and brought with it new challenges and opportunities.

Once home to thousands of acres dedicated to the cultivation of sugar cane and multiple sugar processing mills spread across the island, Hawai'i Island experienced a delayed transition from an agrarian economy including the closures of its last sugar plantation Pahala Sugar Mill in Ka'u 1996²⁵ and moving the academic year calendar for Kona district public schools to align with the Hawai'i State Department of Education calendar and other public schools in 1969 (after being on a different academic year calendar since 1932 to align with coffee production and have children available to work coffee with parents).²⁶

The largest employers on Hawai'i Island are in government (County, State, Federal combines), leisure and hospitality, and health and human services.²⁷

While the COVID-19 pandemic created previously unfathomable socio-economic challenges, many of the factors contributing to the confluence changing the island's economic environment

predates the pandemic. Of note are the cascading socio-economic impacts exacerbated by the global pandemic including and not limited to high cost of living and doing business; lack of affordable, attainable housing for both ownership and rental; changes in behavior and expectations of the island's residents; ongoing supply chain disruptions; historically high volume of visitors to the island leading to increased pressure and competition for natural and other resources with such competition shifting the balance of shared values and changing resident perspectives including increased demand for better tourism management; concerns regarding sense of place and maintaining Hawai'i Island's unique, historical, social resources and community identity; and the overall well-being and future of Hawai'i Island and its residents.

There is also increasing evidence of and concern about the widening economic divide driven in large part by structural changes resulting in economic and opportunity inequality. The relationship between economic inequality and opportunity can be illustrated easily by considering the digital divide which is often the result of inaccessibility to internet. Hawai'i Island's size and geography predominantly rural in nature contributes to limited physical access

²⁰ Burnett, John. "Official count of houses destroyed reaches 700" *Hawaii Tribune-Herald*. Archived from the original on 2018 July 10. Retrieved 15 July 2022.

²¹ Dayton, Kevin. "Recovery from Kilauea eruption might cost \$800M" *Star Advertiser*. Archived from the original on 2018 September 02. Retrieved 15 July 2022.

²² Ige, David Y. Governor. Office of the Governor, State of Hawai'i. Third Supplementary Proclamation. 23 March 2020, accessed 18 May 2022 2003162-ATG_Third-Supplementary-Proclamation-for-COVID-19-signed.pdf (hawaii.gov)

²³ Hasinger, Guenther. Director, Institute for Astronomy, University of Hawai'i. "Modern History of Astronomy in Hawai'i" 11 February 2016. Accessed 13 July 2022 Modern History of Astronomy in Hawaii, Dr. Guenther Hasinger (Director, IFA, UH Manoa) (February 11, 2016) · University of Hawai'i at Mānoa - Physics & Astronomy Department (Indico)

²⁴ Britannica, The Editors of Encyclopedia. "Industrial Revolution". *Encyclopedia Britannica*, 13 March 2022, <https://www.britannica.com/event/Industrial-Revolution>. Accessed 20 August 2022.

²⁵ Peterson, Ann C. *Plantation Era Is Gone, and Pahala Lives On: Historic Preservationist Julia Neal Uses Hammer and Wood to Pull the Community Together* (keolamagazine.com) Keola. accessed 12 July 2022

²⁶ Honolulu Magazine. The Editors of Honolulu Magazine. "A Timeline of Coffee in Hawai'i". 2014 December 03 <https://www.honolulumagazine.com/a-timeline-of-coffee-in-hawaii/> accessed 12 July 2022

²⁷ State of Hawai'i: Data.Hawai'i.Gov. "Top 50 Employers in Hawai'i County" accessed 14 July 2022 <https://opendata.hawaii.gov/dataset/top-50-employers-hawaii-county>

2022 ECONOMIC INDICATORS

The following key economic indicators reflect where the County of Hawai'i stands today and provide the opportunity for tracking future progress. Using these indicators, efforts can be identified and implemented to bolster the ability to withstand and avoid shocks, identify, and implement opportunities for economic recovery and resilience for Hawai'i County.

202,900
Total County Population

30,632
Population for Whom Poverty
Status is Determined

93,000
People in the
Labor Force

60,700
Jobs in
Hawai'i County

\$82,400
Median Household Income

89,700
People Employed

4,178
Business Establishments
(Hawai'i County Median)

to digital technology due to both high costs and the general lack of the infrastructure needed to support internet access and is compounded further by limited digital literacy necessary to access and use resources.

Because of its remote location being over two thousand (2,000) miles from the closest continental land mass, Hawai'i connectivity challenges are very different than those of the contiguous United States with connectivity reliant on submarine fiber terminating in cable landing stations and reinforced by terrestrial connections. Hawai'i County recognizes the importance of ensuring its citizens are able to access essential services such as education, healthcare, social services, and commerce, and is working in collaboration with the State, University of Hawai'i, Federal Government, and private sector to invest in its broadband infrastructure.²⁸

This need to address accessibility in the digital and other arenas is further emphasized when considering the twenty-first century bringing another significant economic transformation as we navigate the highway taking us from an industrial to information and knowledge-based economy.

Hawai'i County and its kama`aina (longtime resident) populace have demonstrated their resilience and ability to make transitions from one economic framework to another and can draw upon real-life experience versus depending exclusively on second-hand nostalgia and oratory accounts as they look to 21st century economic opportunities.

Such resilience is showcased in real time as we build upon the strengths of Hawai'i Island's pre-pandemic economy and work together to develop a more vibrant, diverse, sustainable economy, and

shared prosperity.

Working to improve resilience to systemic shocks and creating opportunities, numerous initiatives by the public and private sector respectively and collectively are in various stages of planning, development, and/or implementation.

These include and are not limited to the County of Hawai'i Build Back Better Agriculture Coalition; the Hawai'i Aerospace-Astronomy Coalition; a multipurpose manufacturing and innovation facility; climate change adaptation and related projects in renewable energy, water resource development and management; conversion of thousands of cesspools to modernized septic systems; modernizing, and firming the island's electric grid; transformative changes to transportation and mobility systems; and developing strategies for destination and visitor management.

Hawai'i Island and its people have a long history of collaboration, cooperation, commitment to shared values, honoring Indigenous Hawaiian knowledge and traditions, welcoming newcomers, embracing new ideas and opportunities, and of looking back to look forward. These strengths anchored in diversity, equity, inclusiveness, and resiliency are being tested by geo-political tensions that reflect changes in behavior and expectations. While such tension existed prior to the pandemic, the combination of physical isolation and exclusion of high numbers of visitors for an extended period of time allowing increased sense of place, ownership, and access by residents to resources has highlighted the need to acknowledge and recognize how this tension impacts the island, its people, and its economic future.

²⁸ University of Hawai'i. "Broadband for Hawai'i: Connecting everyone, everywhere all the time" accessed 12 July 2022 [Bhttps://www.hawaii.edu/broadband/](https://www.hawaii.edu/broadband/)

LABOR FORCE

The labor force is the sum of employed and unemployed persons, and 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 May 2022, Hawai'i County had a labor force of 93,000 and an unemployment rate of 3.6% compared to a labor force of 93,500 and unemployment rate of 3.0% in May 2019. The effects of the COVID-19 pandemic can be seen in the statistics of May 2021 when the labor force in Hawai'i County stood at 93,500 an 5.4% unemployment.

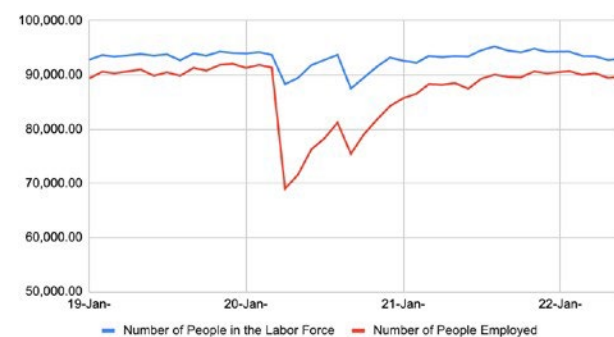
Number of People in the Labor Force

Month	2019	2020	2021	2022
January	92,800	93,950	92,600	94,300
February	93,650	94,200	92,250	93,500
March	93,400	93,700	93,500	93,450
April	93,600	88,300	93,300	92,750
May	93,850	89,450	93,500	93,000
June	93,550	91,800	93,400	
July	93,800	92,750	94,550	
August	92,700	93,700	95,250	
September	93,950	87,500	94,500	
October	93,550	89,500	94,150	
November	94,300	91,550	94,850	

Number of People Employed

Month	2019	2020	2021	2022
January	89,350	91,300	85,700	90,700
February	90,600	91,850	86,550	90,000
March	90,300	91,350	88,300	90,350
April	90,650	69,000	88,150	89,450
May	91,000	71,600	88,500	89,700
June	89,850	76,250	87,450	
July	90,500	78,250	89,300	
August	89,850	81,200	90,050	
September	91,300	75,450	89,650	
October	90,800	79,000	89,550	
November	91,850	81,800	90,650	

Source: Department of Business, Economic Development & Tourism, Monthly Economic Indicators June 2022, accessed 13 July 2022 <https://s.hawaii.gov%2Fdbedt%2Feconomic-data-reports-2022-06-Hawai-i-County>



Jobs and Average Earnings for Hawai'i County in 2018

Industry	2018 Jobs	% of Total Jobs	NAICS	2018 Avg Earnings
Government	14,979	13.88%	90	\$ 77,226
Accommodation and Food Services	14,319	13.27%	72	\$ 38,143
Retail Trade	12,420	11.51%	44	\$ 34,654
Health Care and Social Assistance	9,611	8.91%	62	\$ 49,389
Administrative and Support and Waste Management	8,041	7.45%	56	\$ 31,696
Agriculture, Forestry, Fishing and Hunting	7,300	6.76%	11	\$ 25,698
Construction	6,450	5.98%	23	\$ 62,593
Real Estate and Rental and Leasing	5,875	5.44%	53	\$ 35,853
Other Services (except Public Administration)	5,635	5.22%	81	\$ 30,252
Professional, Scientific, and Technical Services	4,693	4.35%	54	\$ 46,071
Transportation and Warehousing	3,637	3.37%	48	\$ 48,443
Arts, Entertainment, and Recreation	3,267	3.03%	71	\$ 32,334
Finance and Insurance	2,550	2.36%	52	\$ 45,346
Manufacturing	2,408	2.23%	31	\$ 45,888
Wholesale Trade	2,345	2.17%	42	\$ 56,530
Educational Services	2,149	1.99%	61	\$ 37,648
Information	1,000	0.93%	51	\$ 59,327
Utilities	696	0.64%	22	\$ 133,381
Management of Companies and Enterprises	336	0.31%	55	\$ 85,092
Mining, Quarrying, and Oil and Gas Extraction	215	0.20%	21	\$ 33,731
All Industry Total	107,926	100%		45,966

Source: EMSI and DBEDT, READ.

Average Earnings per Job 2018- 2020

Year	Current Dollars	Constant Dollars	% of Statewide Average	% of U.S. Average
2018	\$46,246.00	\$42,694.00	77.16	74.01
2019	\$47,668.00	\$43,365.00	76.34	73.80
2020	\$52,055.00	\$46,801.00	72.96	75.22

Source: Calculations by the Hawai'i Regional Economic Analysis Project (HI-REAP) with data provided by the U.S. Department of Commerce, Bureau of Economic Analysis. Hawai'i County vs. Hawaii | Average Earnings Per Job Trends Report over 1969-2020 (reaproject.org) Accessed 12 July 2022 <https://hawaii.reaproject.org/analysis/comparative-trends-analysis/>

Hawai'i County Jobs by Sector
Not seasonally adjusted job county by detailed industry

	2020	2021
Total Nonagricultural Wage & Salary Jobs	61,000	64,500
Total Private	46,600	50,600
Goods-Producing	4,900	5,100
Nat. Resources & Mining & Construction	3,600	3,700
Special Trade Contractors	1,900	1,800
Manufacturing	1,300	1,400
Durable Goods	300	300
Non-durable Goods	1,000	1,200
Service-Providing	56,100	59,600
Private Service-Providing	41,800	45,500
Trade, Transportation & Utilities	13,200	14,000
Wholesale Trade	1,600	1,600
Retail Trade	9,000	9,500
Food & Beverage Stores	2,400	2,500
Clothing & Clothing Accessories Stores	400	500
General Merchandise	2,200	2,300
Transportation, Warehousing & Utilities	2,500	2,900
Air Transportation	400	400
Information	500	600
Financial Activities	2,300	2,300
Finance & Insurance	1,200	1,200
Professional & Business Services	5,800	5,900
Professional, Scientific & Tech. Svcs.	1,500	1,600
Management of Companies & Enterprises	300	300
Administrative & Support & Waste	0?	0?
Management & Remediation Services	4,000	4,100
Education & Health Services	8,600	8,600
Educational Services	1,100	1,200
Health Care & Social Assistance	7,500	7,500
Leisure and Hospitality	9,400	12,100
Accommodation & Food Services	8,300	10,800
Accommodation	3,400	5,000
Food Services & Drinking Places	4,900	5,800
Full-Service Restaurants	2,500	3,200

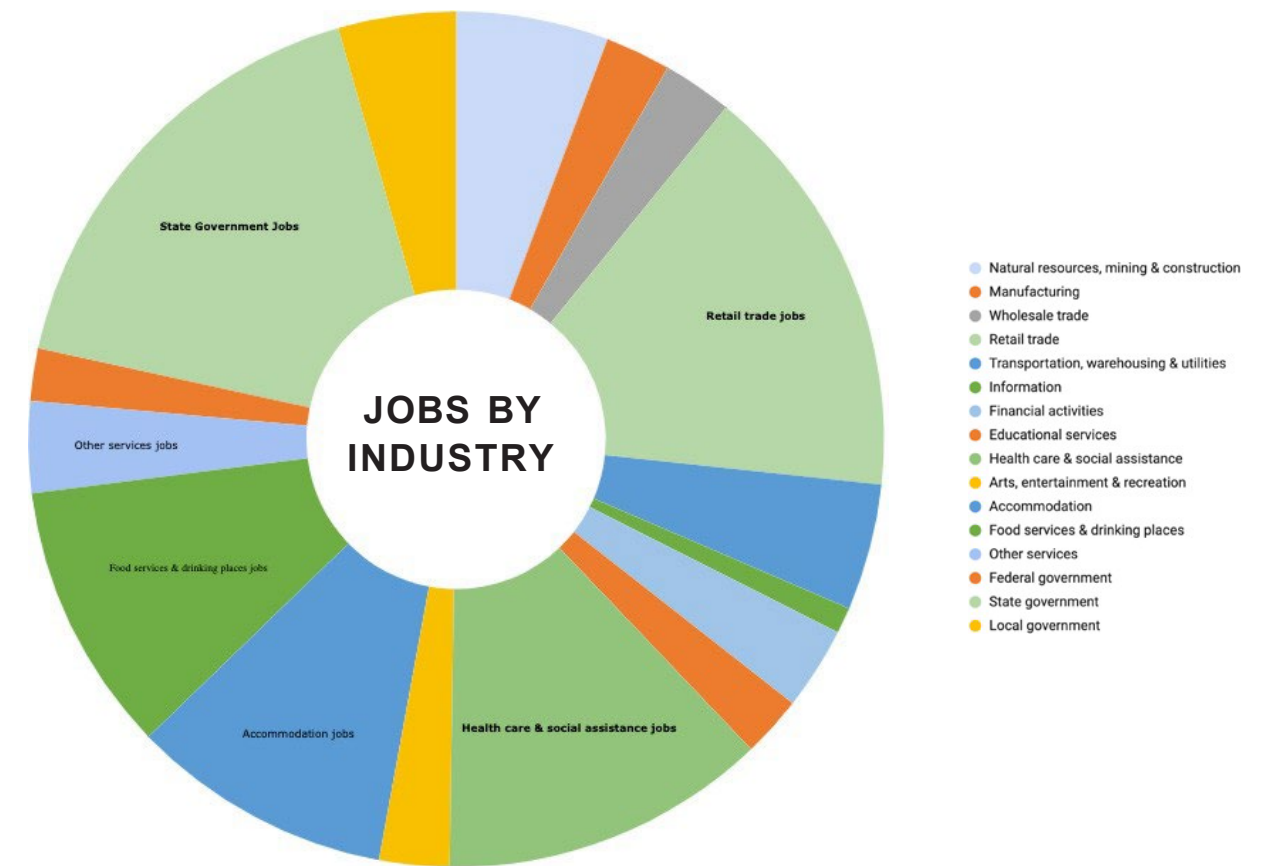
Hawai'i County Jobs by Sector
Not seasonally adjusted job county by detailed industry

	2020	2021
Other Services	2,000	2,000
Government	14,400	14,100
Federal Government	1,400	1,300
State Government	10,200	10,100
State Education (DOE & UH) (2)	6,400	6,300
Local Government	2,800	2,700

Note: Data rounded to nearest 100. Totals may not add due to rounding or residual categories.

Source: Job County by Industry Hawai'i County Hawai'i State Dep. of Labor & Industrial Relations & Dept of Business, Economic Development & Tourism. Compiled by Research & Economic Development Analysis Division, State of Hawai'i Dept of Business, Economic Development and Tourism. Accessed 15 August 2022.

May 2022 Jobs by Industry



Source: Hawaii State Dep. of Labor & Industrial Relations, and Dep. of Business, Economic Development & Tourism Dept of Business, Economic Development and Tourism. Accessed 15 August 2022.

POPULATION

2022 Population of Counties in Hawai'i

There are five counties in Hawai'i: Honolulu, Hawai'i, Maui, Kauai, and Kewalo. Hawai'i County is the second most populous county in the state with a population in 2022 of 202,906 people. According to the U.S. Census Bureau, Hawai'i County saw its population increase nine of the eleven years between 2010 and 2021 representing a growth rate of 8.43% since the 2010 census and surpassed only by the nearly one million population of Honolulu County (Island of O'ahu).

Similarly, the 1.1% increase in population between 2020 and 2021 in Hawai'i County reflects the fastest growing population in the State of Hawai'i. The population in the county in 2021 was 202,906 compared to 200,746 in 2020.²⁹

²⁹ Source of Raw Data: DBEDT Research and Economic Analysis Division (READ) Population and Economic Projections for the State of Hawaii to 2045, accessed July 2022 <https://dbedt.hawaii.gov/economic/economic-forecast/2045-long-range-forecast/>

Hawai'i County Population by Age

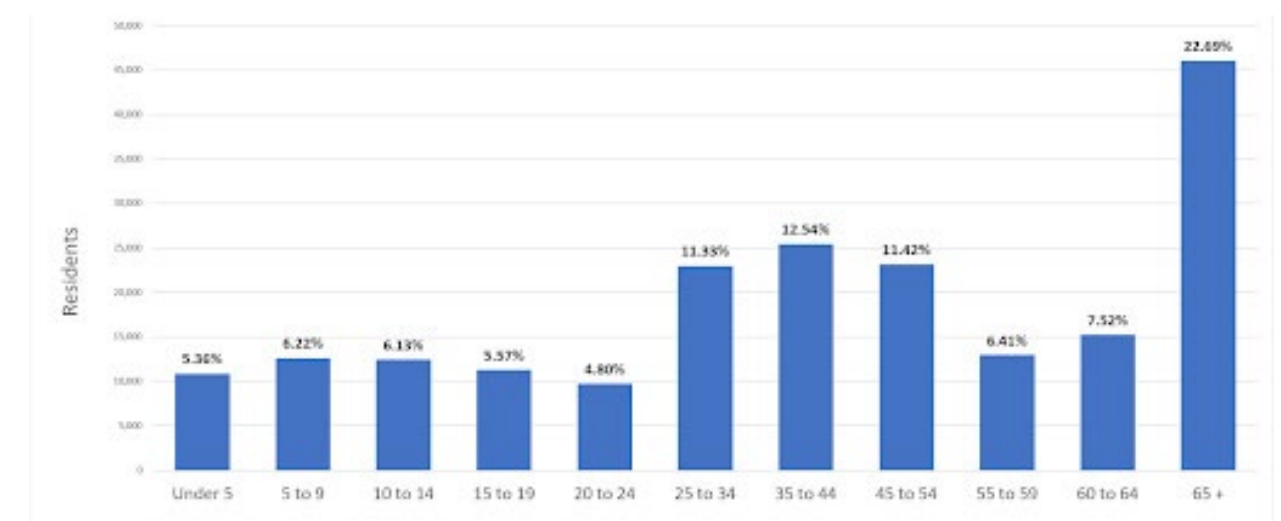
Age Group	2021	% of Population
Under 5	10,883	5.36%
5 to 9	12,629	6.22%
10 to 14	12,439	6.13%
15 to 19	11,312	5.57%
20 to 24	9,732	4.80%
25 to 29	10,705	5.28%
25 to 34	22,985	11.33%
30 to 34	12,280	6.05%
35 to 39	12,878	6.35%
40 to 44	12,572	6.20%
35 to 44	25,450	12.54%
45 to 49	11,489	5.66%
50 to 54	11,680	5.76%
45 to 54	23,169	11.42%
55 to 59	13,006	6.41%
60 to 64	15,254	7.52%
65 +	46,047	22.69%
Total Resident Population	202,906	100%

Census Bureau (Annual data), Bureau of Economic Analysis (Quarterly data), Data for 2011-2019 are DBEDT estimates

The 65+ age group represents the highest percentage of the population at 22.69% compared to 40.01% for the 25-59 age group.



Breakdown of Age Group



Source of Raw Data: Department of Business, Economic Development and Tourism, DBEDT Research and Economic Analysis, Population and Economic Projections for the State of Hawai'i to 2045, accessed July 2022, <https://dbedt.hawaii.gov/economic/economic-forecast/2045-long-range-forecast/> Graph developed by HIEDB.

POVERTY

Median income for Hawai'i County is \$65,401.00 which is less than the state median of \$83,173 as reported in the 2020 American Community Survey 5- year Estimates. Slightly more than 14.0% of Hawai'i County residents live in poverty³⁰ which is higher than the state's average of 9.4%³⁰ and national average of 11.4%.³¹

Recognizing poverty as an overarching issue throughout Hawai'i County's economic profile, the Strategy Advisory Committee discussed the need to address a plethora of economic issues including and not limited to, the cost of living (and of doing business) on Hawai'i Island, increasing housing inventory in general with a special focus on affordable/attainable housing, generate economic engines/opportunities in more densely populated rural areas, improve and increase accessibility to public transportation, and increase the availability of and accessibility to affordable childcare and early childhood education.

Asset Limited, Income Constrained, Employed (ALICE) refers to the households in the community who earn more than the Federal Poverty Level but less than the basic cost of living in Hawai'i County (often even when working two or more jobs). Although employed, ALICE households struggle to maintain the costs of household essentials (housing, childcare, food, transportation, health care). 48% of Hawai'i County families fall into the ALICE category.³²

As discussed previously in the section on overarching themes, there is a shortage of childcare centers and early childhood education facilities. And the available facilities are often not affordable. The State of Hawai'i Department of Human Services reported the median costs for childcare for an infant or toddler in Hawai'i County in 2019 ranged from \$650 to \$950 per month.³³

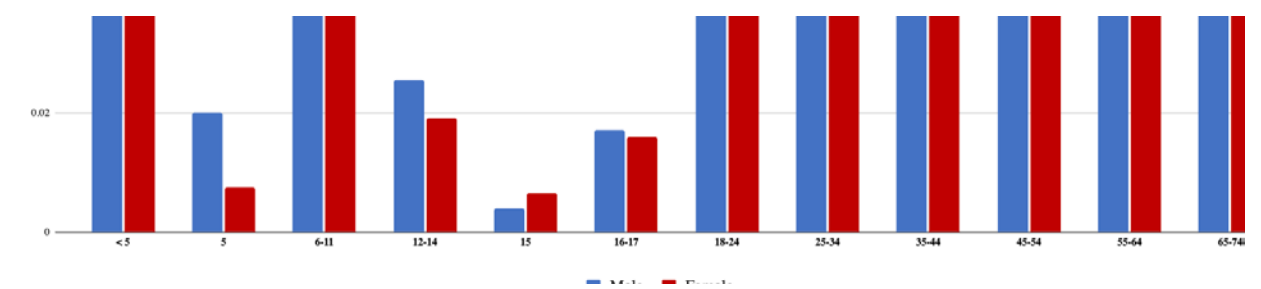
³⁰ United States Census Bureau. Quick Facts Hawai'i County, Hawai'i. "Median Household Income (in 2020 dollars)" December 2020. Accessed 12 August 2022 <https://www.census.gov/quickfacts/fact/table/hawaii/hawaii/INC110220#INC110220>

³¹ United States Census Bureau. 2020 American Community Survey 5-Year Estimates. "Hawai'i County, Hawaii: Poverty, All People in Hawai'i" accessed 12 August 2022 <https://www.census.gov/search-results.html#poverty+hawaii+county>

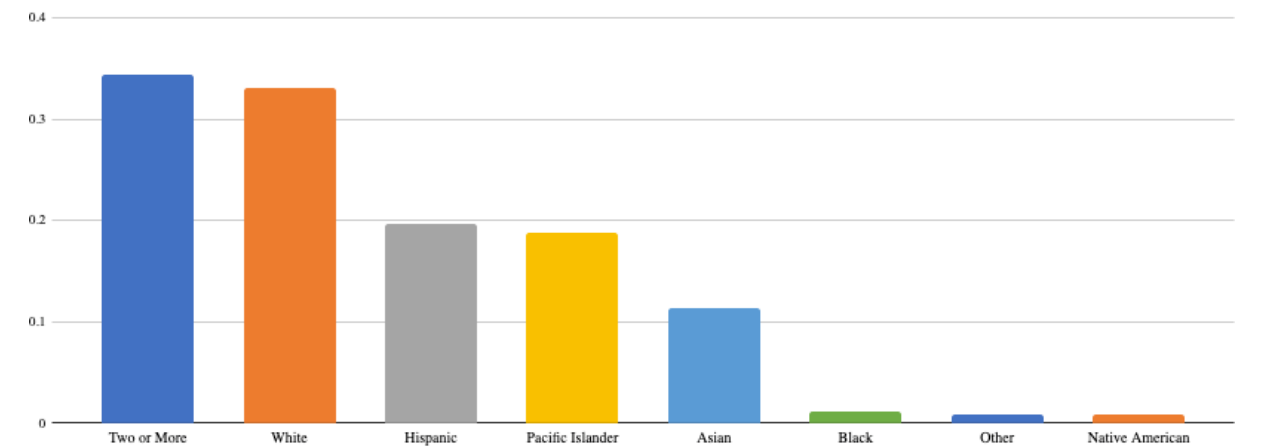
³² 2022 United Way of Northern New Jersey, United for Alice COVID-19 and ALICE | UnitedForALICE accessed 18 August 2022 <https://unitedforalice.org/>

³³ State of Hawaii Department of Human Services, Audit, Quality Control and Research Office. March 2020. "2019 Hawai'i Child Care Market Rate Study Summary of Results" accessed 18 August 2022. <https://humanservices.hawaii.gov/wp-content/uploads/2020/09/Hawaii-Child-Care-Market-Rate-Study-2019-final-3-2020.pdf>

Poverty by Age and Gender



Poverty by Race and Ethnicity





HAWAII COUNTY'S TEN INDUSTRY SECTORS

In recognition that Hawai'i's geographic isolation supports an economy based on "local" industry sectors and human capital, the Strategic Advisory Committee (SAC) identified ten key sectors and industry clusters:

1. Agriculture and Food Systems
2. Astronomy and Technology
3. Construction and Infrastructure
4. Creative Arts and Industries
5. Education, Knowledge Creation, and Workforce Development
6. Energy and Resiliency
7. Environment and Climate Change
8. Government
9. Health and Wellness
10. Hospitality and Tourism

The following section subbreaks down each sector and organized by:

- description of sector and cluster industry;
- analysis of each sector's Strengths, Weaknesses, Opportunities, and Threats (SWOT); and
- goals, objectives, strategies and priority actions.

AGRICULTURE AND FOOD SYSTEMS

"Agriculture is not crop production as popular belief holds – it's the production of food and fiber from the world's land and waters. Without agriculture it is not possible to have a city, stock market, banks, university, church, or army. Agriculture is the foundation of civilization and any stable economy."

Allan Savory

Once home to thousands of acres dedicated to the cultivation of sugar cane and multiple sugar processing mills spread across the island, the last sugar plantation on Hawai'i Island, Ka'u Agribusiness, closed in 1996. In the intervening years, the island's landscape and use of land continue to be transformed and agriculture on Hawai'i Island remains a vital part of the island's economy. While coffee, macadamia nuts, and papayas remain the dominant crops, farmers have embraced diversification with specialty crops running the gamut from floral and ornamentals to cacao, exotic fruits, and tea. Ranching and aquaculture are also vital to the island's agriculture sector.

Serving as the primary strategy for revitalizing Hawai'i Island's Agriculture sector is the Hawai'i County Build Back Better Regional

Agricultural Coalition which proposes an Agricultural Cluster that builds its capacity to sustainably generate new jobs and income suited to the Island's unique resources and communities. Hawai'i Island's Agricultural Cluster represents the region's greatest asset and potential for economic growth and innovation.³⁴

On August 23rd 2022 it was announced that with new federal funds from two bills, the American Rescue Plan and the Inflation Reduction Act, the U.S. Department of Agriculture (USDA) will distribute up to \$550 million to expand certain farmers' access to land, money, and markets and to create educational opportunities in higher education institutions that work with racial and ethnic minorities including Native Hawaiians, so represents a funding source that stakeholders will work with the University of Hawai'i at Hilo

an Hawai'i Community College, and others to access.³⁵

In addition to the SWOT exercise conducted with focus groups, the following pages provide the results of a Grant Stakeholder Interview for Agriculture Sector Interests from two hundred and sixty-eight (268) respondents.

The Hawai'i Island Agriculture and Food System Study initiated by the Hawai'i Island Agricultural Partnership HIAP in partnership with the Hawai'i Island Food Alliance (HIFA), to increase the growth and resiliency of the island's agri-food system by mapping and understanding the system, identifying key needs and opportunities to improve the system, and facilitating collective action to make those improvements a reality. The study was conducted by a set of multi-stakeholder teams

totaling seventy-seven individuals representing different organizations working on agriculture and food efforts including farmers, ranchers, processors, distributors, business owners, educators, government, non-profit leaders, and more. They participated through the study's Facilitation Team, its Planning & Analysis Team, and the three Planning & Analysis Sub-teams focused on Systems Mapping, Agricultural Value Chains and Food Resiliency. Utilizing a participatory process for analysis facilitated by the Hāmākua Institute, the study took a system-wide approach to understand the needs and opportunities within the agri-food system from the perspectives of different stakeholder groups. Through surveys, interviews and focus group discussions, the study gathered input from these different stakeholder groups, added it to other existing system data, and the multi-stakeholder

³⁴ Hawai'i County "Build Back Better Regional Coalition Challenge Phase I Proposal Narrative" accessed 09 July 2022 <https://eda.gov/files/arpa/build-back-better/finalists/concept-proposal-narrative/County%20of%20Hawaii.pdf>

³⁵ Strong, Jared. Nebraska Examiner. 25 August 2022. "USDA plans 'historic' funding to help struggling farmers and develop new ag leaders". Accessed 25 August 2022. <https://nebraskalexaminer.com/2022/08/25/usda-plans-historic-funding->

Planning & Analysis team jointly analyzed all of this information together to produce a set of recommended actions for collectively improving the system.

- Hawai'i Island Ag and Food System Study Report
- Feasibility Study for the Hilo Agricultural Hub
- Agriculture Value Chain Quantitative Dashboard by Supersistence
- Agriculture and Food System Story Map
- Stakeholder Responses compiled by the Hāmākua Institute
- Survey of Women Farmers of Hawai'i County
- Hawai'i County Food systems Survey 2020 Kea'au High
- Hawai'i County Food security Survey 2020 Kamehameha Schools
- Food Security Survey Hawai'i Community College
- Literature Review compiled by the Hāmākua Institute
- Needs, Opportunities and Recommended Actions Compiled by the Hāmākua Institute
- Hawai'i Island Ag and Food System Study Presentation

Transforming Food Systems Together

A series of applied research projects (below) are being conducted that will inform policy and planning recommendations and build statewide capacity to achieve a more economically robust, sustainable, equitable and resilient food system for Hawai'i. The key findings of these Knowledge Products will inform the development of an Integrated State Food Policy Framework and Food System Resiliency and Equity Strategy for Hawai'i. (This is a statewide process)

In addition to the list below, an initiative to develop outreach and education on agricultural law to agricultural producers is being launched with the Hawai'i Bar Association and others as part of the technical assistance (back room) support that is very important and often lacking as part of the comprehensive agriculture and food systems eco-system.

Knowledge Products:

1. Food System Mapping
2. Social Network Analysis
3. Comprehensive State Policy Analysis
4. Vulnerability Assessments
5. Amplifying the Work of Subsistence Indigenous Producers
6. Institutional Purchasing
7. Hawai'i Farmer & Rancher Focus Groups



STRENGTHS

- County of Hawai'i Build Back Better Agriculture Coalition
- Kamehameha Schools Food Systems Initiatives
- University of Hawai'i and Hawai'i Community College Ag & Food Systems Programs
- Geography
- Availability of Land
- Growing Conditions Favorable
- US Department of Agriculture (USDA)
- Pacific Basin Agricultural Research Center (PBARC)
- NELHA/HOST Park
- Public Consciousness towards Food Security and Self-Reliance
- Feed Mill
- Diversity in Types of Agriculture and Aquaculture
- Research, STEM (Science, Technology, Engineering, Mathematics), Crop Technology
- Crops = Commodities that DRIVE economics

WEAKNESSES

- Farmers & Ranchers - average age 60+
 - 95% Family Farms (note Hawai'i situation consistent with rest of nation)
 - No succession plans in place – difficult to keep land in ag production as offspring decline to continue family farms
- Cost of Living and Doing Business: Low pay - long hours
- Labor Shortage
- Agricultural Theft
- Housing
- Transportation
 - Shipping and Energy volatility (costs of oil)
- Technical Assistance (Back Room – Business Sustainability) support and resources
- Food Safety Regulations and Certifications including access and Insurance Requirements
 - Laws, Regulations, Policies
- Political - Structure - Philosophy - Ideology
- Declining support from State of Hawai'i
 - Funding reduced
 - Programs and UH faculty positions lost
- Economies of Scale (difficult to achieve)
 - "Buy Local" program well-intended but if the profit margin is \leq 5% then not affordable
- Lack of Data: Need Facts NOT Anecdotes (e.g., Korean Farming techniques)
- Agriculture should be valued as a profession
- Leadership (Elected Officials, Policy Makers)
 - Failure to project/advocate for agriculture
 - Failure to recognize economic and job potential
 - Lack of vision/strategy
- Need to reframe and tell agriculture story better

OPPORTUNITIES

- People NEED to eat therefore captive market
- Research Opportunities
- Multiple cropping seasons
- Identify, implement new agriculture/farming/ranching techniques and technologies
- Natural Farming – soil enrichment
- Indigenous farming, aquaculture techniques
- New potential sources of funding
- Aquaculture industry
- Agrotechnology
- Value added
- Diverse Renewable Energy
- Government has the capacity to help farmers and ranchers
- Mentoring, Internship
- Innovation
 - Unmanned Aerial Vehicles (UAVs)
 - Robotics
- Education
 - STEM
 - Apprenticeships, Mentoring
 - Expansion of school garden and agriculture curriculum
 - Farm-to-School Program
- Collaboration including with other industry sectors
 - e.g., Hospitality and Tourism including sourcing local, cross-sector collaboration on regenerative agriculture and regenerative tourism
 - e.g., Health and wellness

THREATS

- Farmers/Ranchers Aging Out of Industry –
- Cost of living and doing business
- Housing
- Invasive Species and Pests
- Ideology, Mis/Disinformation,
 - Anecdote and Emotion versus Data and Science
 - Mistrust; Misrepresentation of scientific data
- Regulations and related costs
 - Over regulating
 - Bad public policy hinders economic and other growth
- Labor Force
 - Labor Shortage
 - Skills
 - Costs
 - Workers' Compensation
- Shipping and Transportation
- Climate Change
- Globalization
- Insufficient investment and traditional funding support
- Lack of Infrastructure
- Land
 - Costs
 - Infrastructure
 - Encroachment by development
 - Competing interests for land
- Litigation (can be from multiple fronts including and not limited to land ownership/lease to compliance with rules, laws to financial matters, etc.)

SUSTAINABLE AGRICULTURE AND FOOD SYSTEMS

Objectives

- Develop strong sector partnerships and industry clusters
 - Include aquaculture, farming, fishing, hunting, ranching, value added industries, hotels and restaurants, grocery, and other distribution outlets
 - Supply chain, transportation, shipping
- Employ natural and biological controls for pests and disease
- Enhance environmental quality and natural resources
- Enhance the quality of life of farmers and ranchers, and for community overall
- Identify and develop value added opportunities
- Satisfy local human consumption needs and reduce imports
- Sustain the economic viability of farming and ranching
- Use renewable energy and resources as primary source
- Use nonrenewable resources more efficiently

Strategies and Priority Actions

- Build capacity
 - Address the island’s agricultural value chain functions including processing, transportation, aggregation, storage, and distribution.
 - Address labor force needs
 - Collaborate and build stronger relationships with education and workforce development organizations
 - Increase food storage and distribution capacity
 - Advocate and increase capacity to support programs such as Hawai’i County Keiki Feed
 - Increase viability of small farms and ranches
 - Facilitate succession planning and opportunities for farmers and ranchers entering the sector to keep farms and ranches in operation

- Review and adjust marketing efforts
- Secure funding to conduct better market and carrying capacity studies
- Stimulate increased production on-island
- Buy local
- Advocate for and support procurement by USDA and others who procure food to purchase from local producers
- Secure and maintain funding to support initiatives
- Support participation in programs such as USDA equity farming and ranching programs intended to expand access to land, money, markets, and education to underserved producers including Native Hawaiians and institutions serving Native Hawaiians and others who qualify.
- Collaborate, increase cooperation across the island’s agriculture and food systems sector
 - Support existing organizations, cooperatives, and networks
 - Collaborate with government
- Collaborate with industry cluster partners
 - Distributors
 - Farmers Markets
 - Financial Institutions
 - Government
 - Industry Organizations and Advocates
 - Restaurants and Hotels
 - Transportation and Shipping
 - Utilities
- Identify and secure funding to do planning, engineering, environmental assessments, and construction of needed infrastructure
- Increase and improve outreach and education to public (including public officials and policy makers)

Strategies Metrics

- Number of farms, ranches, aquaculture companies that continue production
- Acres of land that remain in agriculture
- Number of new farmers, ranchers, value added producers
- Acres of land that remain in agriculture
- Increased volume of food and other crop production
- Increased volume of livestock raised and going to market locally
- Number of students in agriculture curriculum studies
- Increased use of technology by producers
- Number of interns working in agriculture
- Number of new cooperatives, partnerships, cross-sector initiatives
- Number of business development, support services programs and convenings launched (and number of participants)

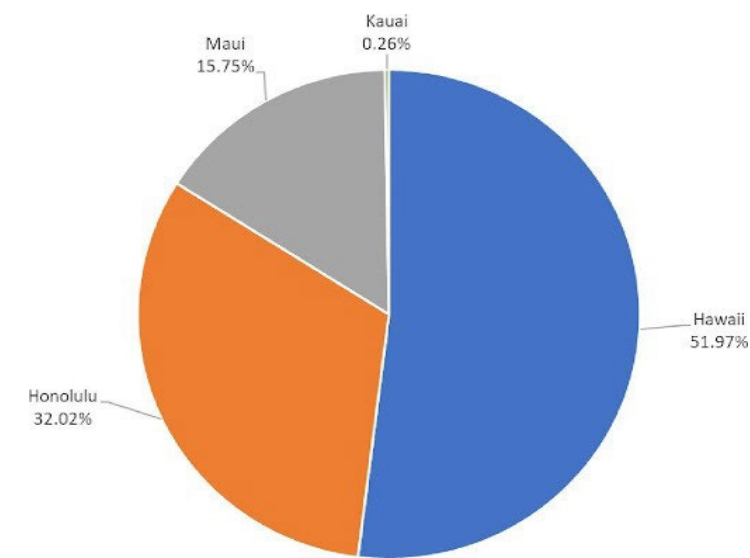


Economic Impacts of Astronomy - Related Local Expenditures by County

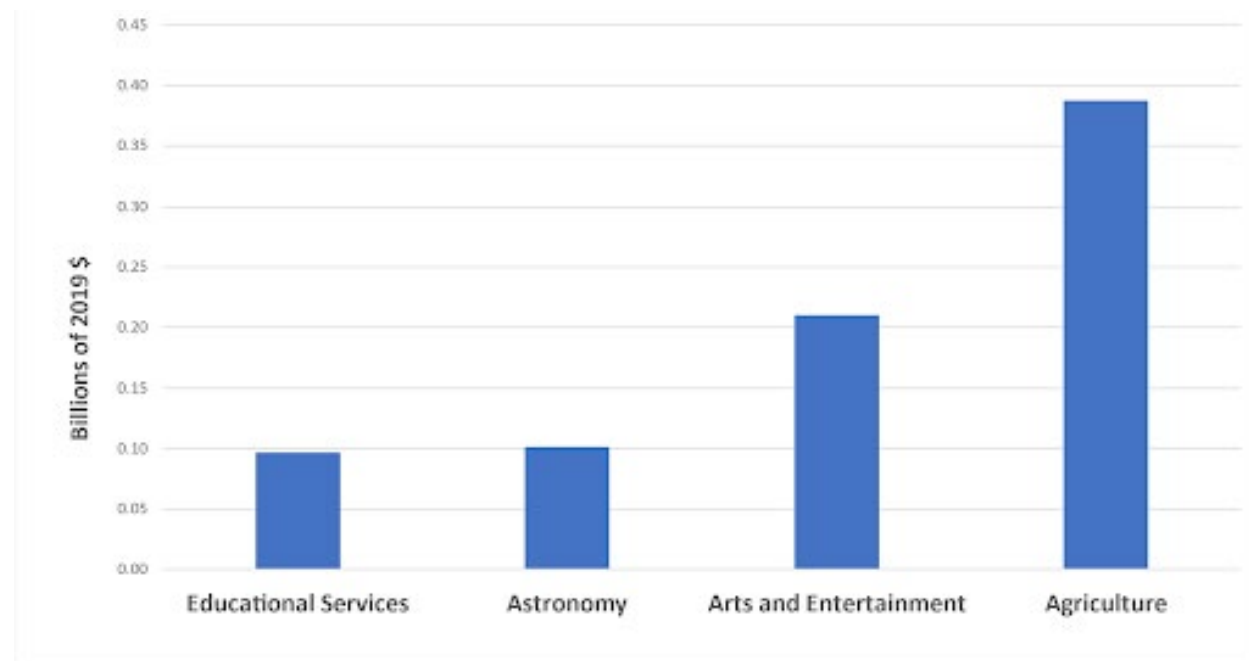
County	Output	Earnings (Millions of 2019 Dollars)	State Taxes	No of Jobs
Hawaii	101.68	28.52	4.08	611
Honolulu	86.96	30.42	4.85	517
Kauai	1.59	0.41	0.06	9
Maui	30.72	8.69	1.11	176
State	220.95	68.05	10.1	1313

Source: https://uhero.hawaii.edu/wp-content/uploads/2022/04/EconomicImpactofAstronomyinHawaii_2019Update.pdf

Share of Astronomy-Related Local Expenditures by County



Comparison of Astronomy Output to Other Sectors in the Economy



CREATIVE ARTS AND INDUSTRIES

“Creativity is a way of living life, no matter what our vocation, or how we earn our living.

Creativity is not limited to the arts ... ”

Madeleine L’Engle (author)



Hawai'i Island's size, natural resources, beautiful surroundings, and diversity which include ten (10) of the world's fourteen (14) climate zones all lend the island to being a favorite locale for movie and television production. Beyond movies and television, the island's creative arts and industries sector abounds with diversity including and not limited to music, cultural activities, design services, architecture, radio and television broadcasting, video production and distribution. In 2018, 5,649 of the state's creative industry jobs were in Hawai'i County

Creative Industry Jobs, Hawai'i County

Industry Group	Performance Class	Jobs				Average Annual Job Growth (%)			
		2008	2009	2017	2018	2008-2009	2009-2018	2017-2018	2008-2018
Music	Base-Growth	156	142	212	243	-9.4%	6.2%	14.8%	4.5%
Cultural Activities	Base-Growth	107	93	185	202	-13.4%	9.0%	9.3%	6.5%
Design Services	Base-Growth	285	256	326	339	-10.2%	3.2%	4.1%	1.8%
Architecture	Base-Growth	181	166	177	188	-8.5%	1.4%	6.4%	0.4%
Radio and TV Broadcasting	Emerging	79	61	80	85	-22.6%	3.7%	6.5%	0.7%
Film, TV, Video Production/Distrib	Emerging	68	84	70	74	23.0%	-1.4%	5.1%	0.8%
Computer and Digital Media Products	Transitioning	264	233	357	364	-11.4%	5.1%	2.1%	3.3%
Engineering and R&D	Transitioning	571	561	612	573	-1.7%	0.2%	-6.4%	0.0%
Marketing, Photography & Related	Transitioning	1,217	1,164	1,365	1,377	-4.4%	1.9%	0.9%	1.2%
Performing and Creative Arts	Transitioning	1,311	1,416	1,452	1,464	8.0%	0.4%	0.8%	1.1%
Art Education	Transitioning	56	49	66	62	-12.3%	2.6%	-6.7%	1.0%
Business Consulting	Declining	536	494	465	466	-7.8%	-0.6%	0.2%	-1.4%
Publishing & Information	Declining	297	296	211	212	-0.3%	-3.7%	0.5%	-3.3%
Total Creative Industry	Transitioning	5,127	5,014	5,578	5,649	-2.2%	1.3%	1.3%	1.0%

The table above shows the creative industry groups and job trends between 2008 and 2018.

⁴⁷ State of Hawai'i Department of Business, Economic Development and Tourism. Honolulu, Hawai'i. May 2020. "Hawai'i's Creative Industries Update Report 2020" accessed 19 August 2022.



Review State and County CEDS at:

<https://planning.hawaii.gov/spb/ceds/>

Email comments on State & County CEDS to:

hi.ceds2022@gmail.com



**Comprehensive Economic
Development Strategy (CEDS):
City and County of Honolulu**

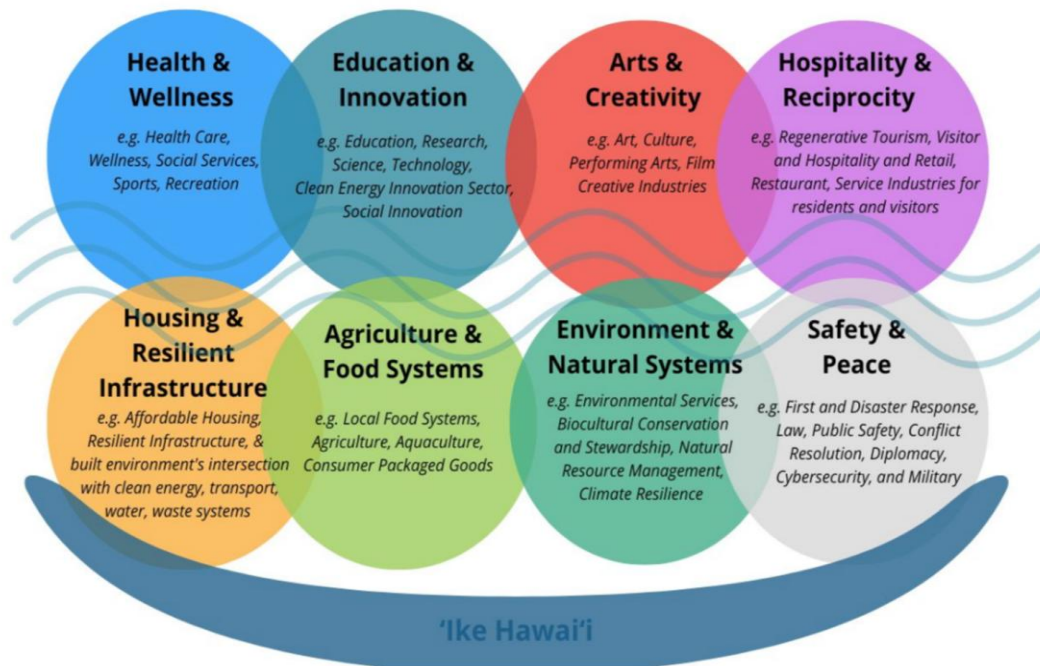
O'ahu Comprehensive Economic Development Strategy (CEDS)

2022-2026 O'ahu Comprehensive Economic Development Strategy (CEDS)



The O'ahu Economic Development Board prepared this strategy under an award from the U.S. Department of Commerce, Economic Development Administration (EDA), with support from the Economic Development Alliance of Hawai'i (EDAHI) and State of Hawai'i Office of Planning and Sustainable Development (OPSD) and in collaboration with the City and County of Honolulu Office of Economic Revitalization and diverse O'ahu partners and communities.

August 2022



Statewide CEDS Engagement & Approval Process

O'ahu CEDS
Process:
Engaged 1000
individuals +
groups



- Honolulu County (O'ahu) CEDS
- Hawai'i County CEDS
- Maui County CEDS
- Kaua'i County CEDS

Statewide Hawai'i CEDS
Statewide strategy +
4 respective county strategies
Prepared by November 22, 2022

State of Hawai'i
Office of Planning and
Sustainable Development
*Submitted to State of Hawai'i
June 13, 2023*

**U.S. Economic
Development
Administration**
*Approved by EDA
August 23, 2023*

High-Level Learnings from the 8 CEDS Focus Groups

Bright Spots, Barriers, and Action Opportunities Identified Across Sectors

Focus Group Highlights: Progress & Example Bright Spots



\$\$\$ via Federal Funding, Partnerships & Grant Writing Support

- \$40M Regional Food Business Center grant for food hubs
- Millions in grants for food systems infrastructure, distribution, SNAP
- New grant funding for houseless youth
- Grant writing support for renewable & efficiency programs
- Digital Equity Capacity Grants for broadband initiatives

Multi-Sector Coordination & Action on Complex Issues

- New Mayor's Office affordable housing stakeholders working group
- Hawai'i Critical Infrastructure Security and Resilience Program strategy & working group
- Hawai'i Biosecurity Plan & interagency coordination
- O'ahu Destination Management Action Plan & Curator Program
- O'ahu Resilience Strategy and Climate Action Plan

New Projects, Innovations & Gatherings

- 13th Festival of Pacific Arts and Culture (FestPAC)
- O'ahu Good Food Shows
- Microfood Summits - Wai'anae, Kalihi, & Waimanalo
- Agrivolatics pilots
- Green infrastructure installation

Focus on Supporting Youth, Kūpuna & Equity

- UH full scholarships for Maui grads affected by the fires
- Air travel partnerships for kama'āina students attending college on the continent
- Water use rebate programs for kūpuna & low-income families
- Free energy efficiency upgrades for 2K residents
- New low-down-payment mortgage products for local families
- 14,000 food baskets with translated healthcare information

Community-Led Models & Bright Spots

- Community response to little fire ants; flood modeling
- New marine co-management designations
- Ahupua'a action agenda
- Community well-being pilots
- Health centers offering Native Hawaiian healing practices

New Jobs Pathways & Values-based Education Programs

- Good Jobs Hawai'i pathways
- 'Āina Aloha education programs & learner competencies
- Aloha by Design
- New Conservation Compass job board



OER is the City's economic development coordinating office whose work is aligned with and contributes to implementation of shared regional economic development priorities reflected in the CEDS

Strategic Goals:

- Strengthen Community Well-Being & Resilience
- Expand Economic Opportunity for All
- Expand Workforce Pathways
- Strengthen Local Community Economies
- Support Innovation & Entrepreneurship

Establishing HIRESA creates an opportunity to strengthen CEDS implementation by clarifying regional roles, improving coordination, and better aligning the County workforce and economic development efforts around shared priorities.

The background features a light blue outline map of the Hawaiian Islands, including the main islands of Kauai, Oahu, Molokai, Maui, and Hawaii, as well as the smaller islands of Lanai, Mokuauia, and the Phoenix Islands. The map is centered and serves as a backdrop for the text.

Comprehensive Economic Development Strategy (CEDS): County of Kaua'i



KAUAI ECONOMIC DEVELOPMENT BOARD

KAUAI

Highlights & Accomplishments

Updates from the
County of Kaua'i Office of Economic Development (OED)
and the Kaua'i Economic Development Board (KEDB)

Kaua'i Comprehensive Economic Development

Strategic Plan 2022-2026

NOVEMBER 30, 2021

Authored by:
N&K CPAs on behalf of KEDB and the County of
Kaua'i – Office of Economic Development

Four Goal Areas



1

WORKFORCE

Build, attract and retain a 21st century workforce.

2

NATURAL RESOURCES

Increase adaptability and resilience, particularly regarding natural disasters and climate change.

3

QUALITY OF PLACE

Support and enhance our island community where all residents and visitors enjoy active, secure, healthy and fulfilled lives.

4

ECONOMY

Develop plans and continue to build capacity for economic development of the six target industry clusters..



Six Target Industry Clusters



Food &
Agriculture



Renewable Energy,
Sustainable
Technologies &
Practices



Science &
Technology



Health &
Wellness
Team Sales



Visitor Industry
Management &
Preservation



Arts & Culture

Goal 1- Workforce



1 KKKED STUDENT OUTREACH & HIGH SCHOOL CAREER FAIRS



2 YOUTH CLIMATE CLASS

Goal 2 - NATURAL RESOURCES

County's Office of Economic Development's Agricultural Grants

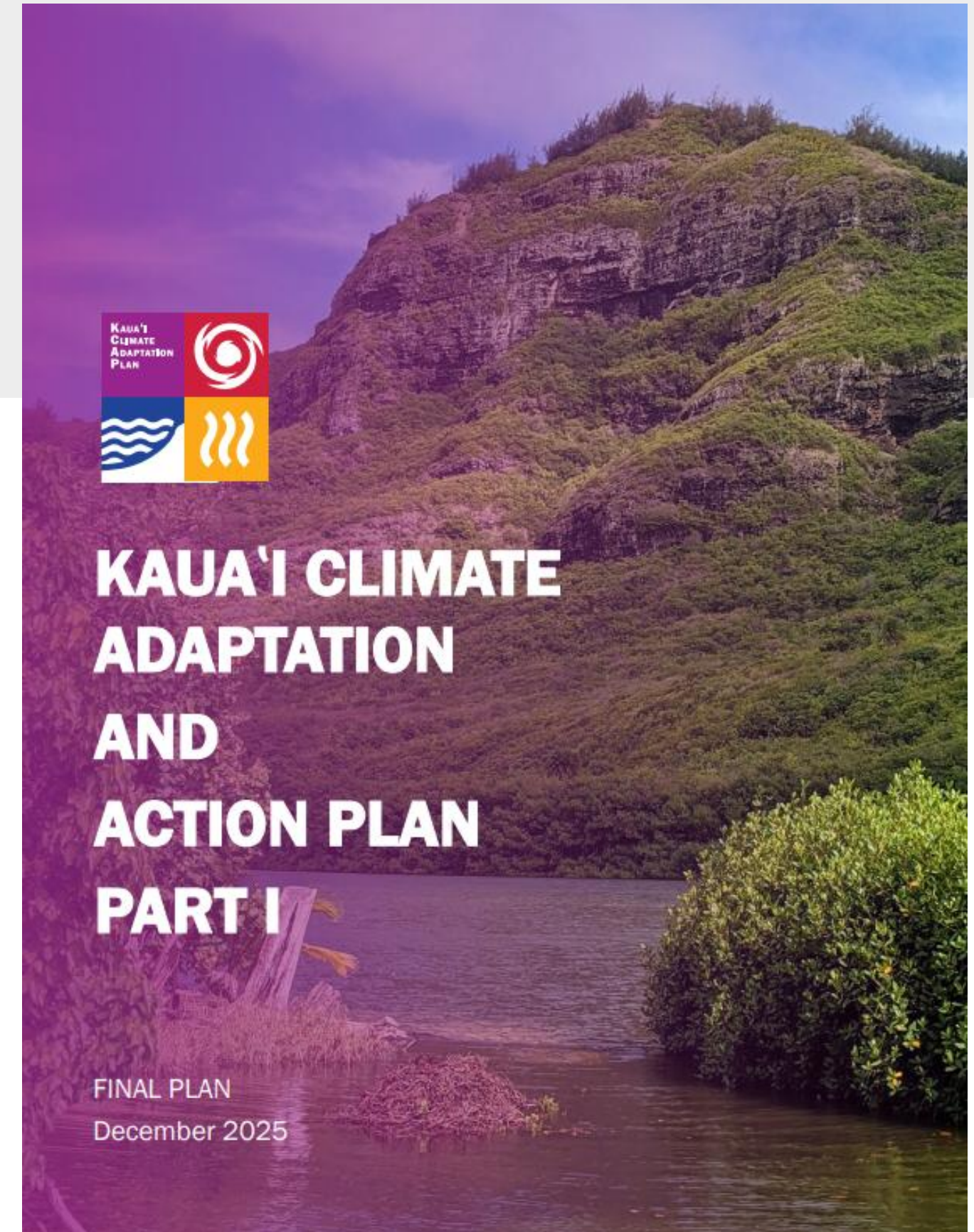
via Innovation Grant and the Agriculture Farm Expansion Grants

Kaua'i Climate Adaptation & Action Plan

Adopted in December 2025, creates a roadmap for County to adapt to and mitigate climate change impacts.

Destination Management Action Plan

Address hot spots around the community, strengthen how visitors learn about and move through the island, and protect resources.



Since 2022,

\$2,165,254

Awarded as grants
towards agricultural
innovation and
agriculture farm
expansion projects.



Kumano / Ke Ala Restoration of Mahaihai Loi System



Malama Kaua'i's Coconut Rhinoceros Beetle Mitigation Support



Lydgate Farm's Vanilla Trial Project



Kauai Sea Farm Native Oyster Seed Hatchery Development



Septic Installation for Commercial Kitchen Buildout at Jerry's Farm, Hawaii's only commercial rice producer.

Goal 3- Quality of Place



1 LIMA OLA HOUSING
Planned: 550 Affordable Units.
Completed: Phase I (38 SF units, 111 MF units)
In Development: Phase II & III



2 EAST KAUAI
MOBILITY HUB PLAN
Public-private transit hub designed to reduce traffic congestion, and promote multi-modal transportation options.



3 PLAYSTREETS KAUAI
Collaboration with DOH and non-profits to use underutilized spaces and promote active and healthy play.



Goal 4 Economy

- **Agriculture Land:** Working with the Agribusiness Development Corporation (ADC) to explore how to get 8000 acres of agriculture land into production.
- **Business Mentorship:** Collaboration with the Kuleana.work and Kalukalu 1624's co-working hub to support and mentor small business owners and entrepreneurs, including weekly engagement. areness Project
- **Broadband and AI:** Partnered with Hawaiian Tel for broadband outreach and hosted AI safety training workshops with the state's AI Safety Awareness Project

The background features a white outline map of the Hawaiian Islands, including Hawaii, Maui, and the Big Island, set against a solid blue background. The text is centered over the map.

Comprehensive Economic Development Strategy (CEDS): County of Maui

Maui County Comprehensive Economic Development Strategy (CEDS)

May 2026

Prepared by



COUNTY OF MAUI

COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY (CEDs) 2022

Maui County CEDs Report

- Mandated for every U.S. County and undertaken every 5 to 6 years; last completed in 2022 as a 180-page final report
- Funded by the Economic Development Administration (EDA) of the U.S. Department of Commerce
- Designed to serve as an updated economic roadmap for diversifying and strengthening the regional economy
- The CEDs process is required to be community-based, with broad-based input by sector (Cluster) focus groups that include residents and subject matter experts
- This community engagement process is informed by economic, social, and demographic data, gathered and presented by MEDB staff
- The CEDs process involves an oversight Strategy Committee, Cluster Focus Groups, and outreach via online public survey
- The last four County of Maui CEDs cycles have been conducted by MEDB (2005, 2010, 2016, 2022)
- CEDs findings by each of Hawaii's Counties (Kauai, Honolulu, Maui and Hawaii Island) are then merged into a State CEDs report coordinated by the HI State Department of Planning



Identified Clusters

What is a business cluster? A network of connected businesses, and associates in a specific industry.

2022 CEDS

Recap of Maui County Cluster Meetings

Clusters in (alphabetical order):

- **Agriculture, Aquaculture & Forestry (incl. Business & Technology)**
- **Attainable Housing & Construction**
- **Creative Industries** (Culture & the Arts)
- **Eco-Economy** (Conservation, Ecosystem & Environmental Restoration and Management, Climate Change Adaptation)
- **Energy** (incl. Renewable)
- **Hawaiian Knowledge & Culture**
- **Healthcare & Wellness**
- **Science, Technology, Innovation & Efficiency**

Community Specific Clusters

- **Hāna**
- **Lānaʻi**
- **Molokai**

Infrastructure Needed includes:

- o Broadband Expansion
- o Education, Training & Professional Development
- o Business Incubation
- o Non-Profit Sector
- o Streamlined Permitting
- o Attainable Housing



Throughlines Identified in 2022 CEDS

- **Weaknesses/threats** common across all sectors:
 - Equity of access to resources, especially broadband and water
 - Lack of housing and slow permitting
 - Quality of education and workforce training
 - Lack of business support services and easy access to capital
- **Strengths/opportunities** common across all sectors
 - Hawaiian knowledge and culture
 - Multicultural population
 - Natural resources
 - Renewable energy
 - Opportunities to develop and strengthen environmentally sustainable business practices

Examples of Cluster Recommendations

- **Agriculture:** Establish municipal composting to promote waste diversion and soil fertility; develop local producer cooperatives
- **Attainable Housing & Construction:** Streamline County permitting process; develop comprehensive rezoning strategy incorporating infrastructure
- **Creative Industries:** Establish a film production, digital media, music & sound facility/program on Maui with an incubator program
- **Eco Economy:** Expand eco-sustainability focused tourism training for visitors
- **Energy:** Expand access to workforce training to support renewable energy & installation projects; increase infrastructure for electric vehicles
- **Hawaiian Knowledge and Culture:** Increase funding opportunities & access to capital for Native Hawaiian owned businesses
- **Healthcare & Wellness:** Expand mental health services across Maui County; Create incentives for improved recruitment & retention such as housing
- **Science, Technology, Innovation:** Create & market incubator pipeline programs and new degree courses to provide pathways for youth for higher paying STEM jobs

2024-2025 CEDS Implementation Project

- Following the economic shocks to the Maui County economy of the COVID-19 epidemic and the destructive 2023 wildfires, Maui County Council tasked MEDB with revisiting and updating the 2022 CEDS findings with further research and community engagement to determine potential and realistic actions and strategies to expedite and increase economic diversification and resilience.
- Consequently, MEDB invested in a data gathering, analytic, and predictive modeling software tool, Lightcast, that provides near real-time labor market data-driven insights.
- Further community engagement validated the findings of the 2022 CEDS report, and the Lightcast tool enabled some predictive modeling impacts of investments required to realize recommendations for specific sectors such as Science and Technology (aerospace), Agriculture, Healthcare, the Eco-economy, and Housing.
- Additionally, MEDB provided technical assistance to Maui's Economic Recovery project proposal to the Economic Development Administration (EDA).



**Comprehensive Economic
Development Strategy (CEDS):
Next Steps**



2026 HIRESA Program Goals

- Revising the 2023 Hawai‘i State CEDS
 - Incorporate findings from Hawai‘i Economic Recovery and Resilience (HIERR) Project
 - Incorporate county revisions as applicable
 - Activate CEDS Strategy Committee
- Planning for the next 5-year CEDS
 - Submit grant application est. 2026 Q3
 - Target commencement beginning of 2027
- Exploring programmatic support of CEDS implementation



Opportunity Zones 2.0 Program Updates

OZ Overview

Opportunity Zones

are designed to attract long-term investment into governor-nominated, economically distressed census tracts.

Opportunity Zone Investments

can help revitalize communities by supporting a broad range of housing, commercial, infrastructure, impact-investment, and economic development projects.

OZ INVESTMENT FLOW

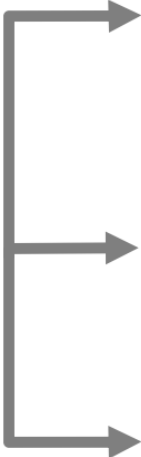
Individuals & Corporations



Capital Gains



Qualified Opportunity Funds



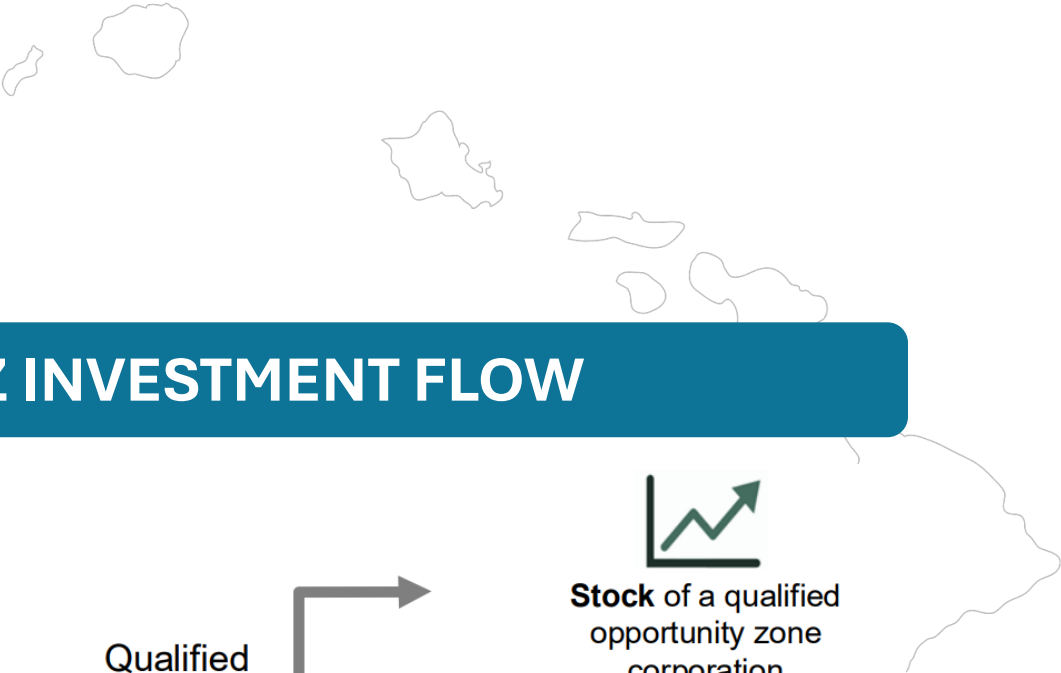
Stock of a qualified opportunity zone corporation



Interest in a qualified opportunity zone partnership



Tangible property used in qualified opportunity zones





OZ 2.0 Program Changes



Permanence

- New OZs designated every **10 years**
- New determination period begins July 1, 2026
- First new designations will be active Jan. 1, 2027



Eligibility criteria

- Definition LIC is narrowed from **80% to 70% of AMI**
- Contiguous tracts are no longer eligible
- Census tracts with a median family income of **125% of the AMI** not eligible
- Governors are still limited to designating **25%** of their state's eligible LICs, so there will be **approximately 30% fewer**
- **25% limit would apply to Puerto Rico in 2027**



Deferral and basis step up

- Capital gains invested in OZ funds can be **deferred from paying taxes on a rolling basis for up to five years**
- In non-rural OZs, there will be **10% step up in basis** for investments held at least five years



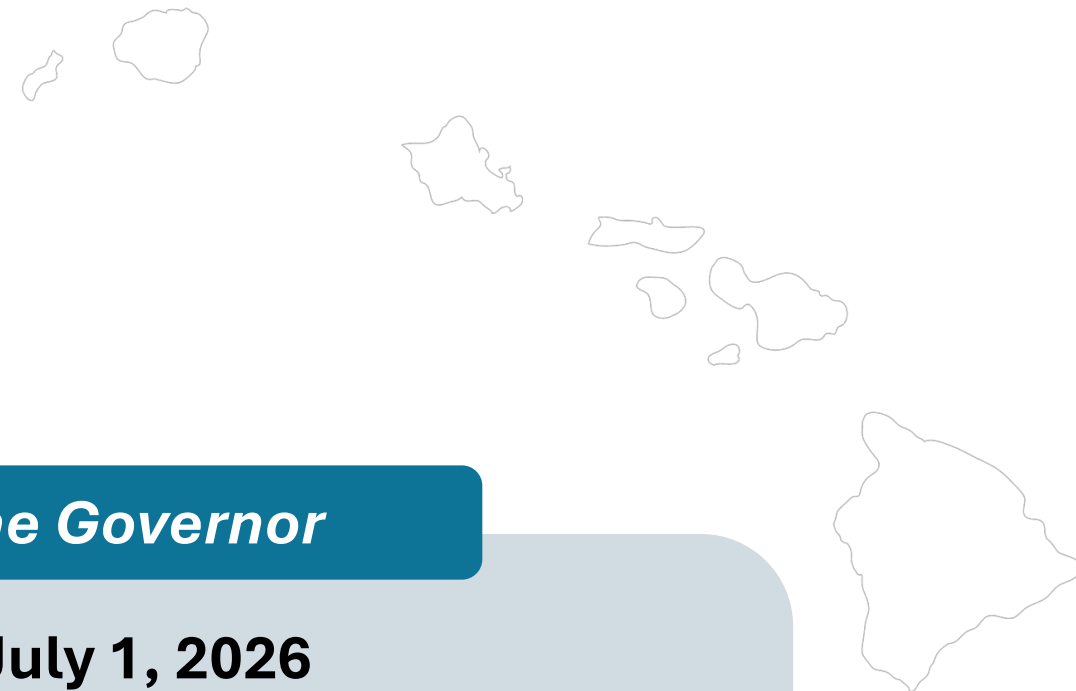
Rural provisions

As long as at least **90% of qualified OZ property of an OZ fund are in rural OZs** then the investments in those funds will have a **30% step up in basis** for investments held at least five years



Reporting requirements

Reporting and transparency requirements of the OZ Transparency Extension and Improvement Act (OZTEIA) and provides **\$15 million** for implementation

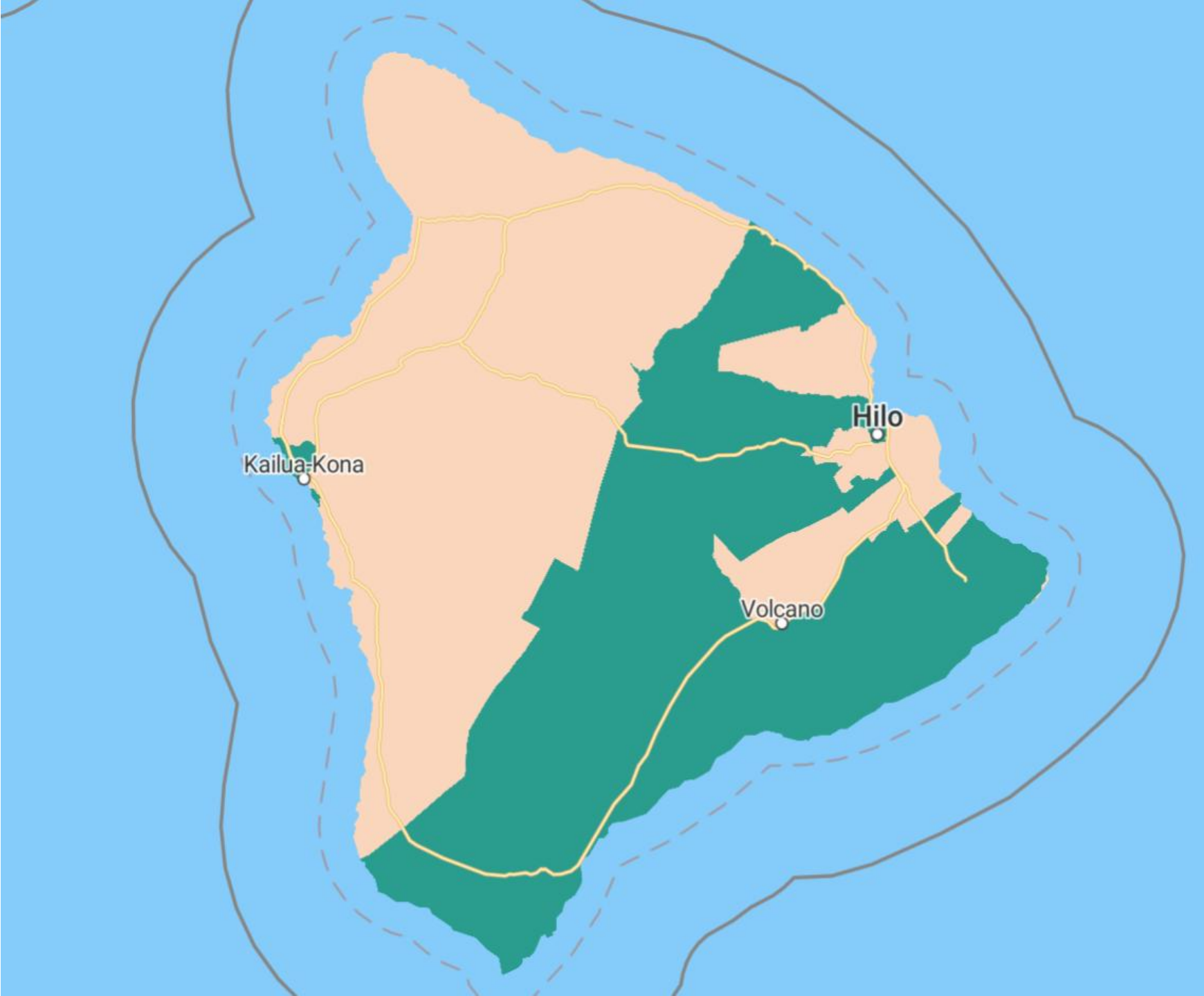
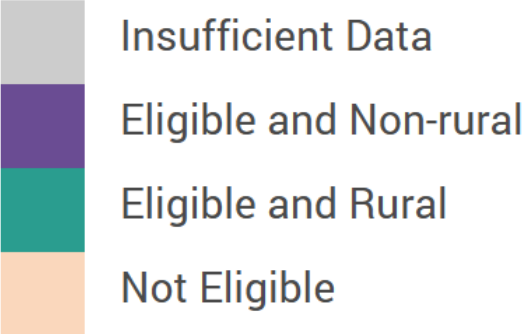


OZ 2.0 Selection Window

25 census tracts to be nominated by the Governor

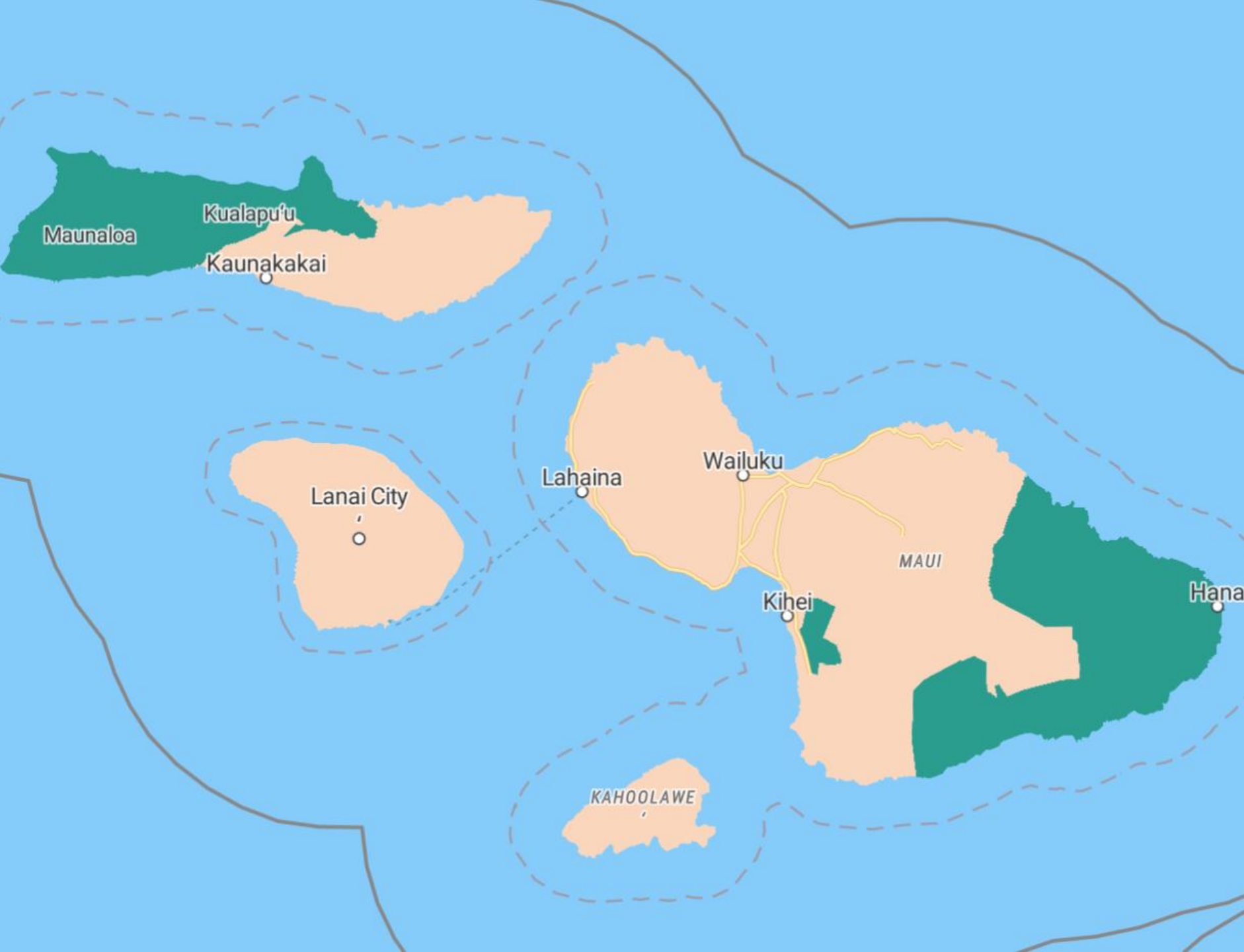
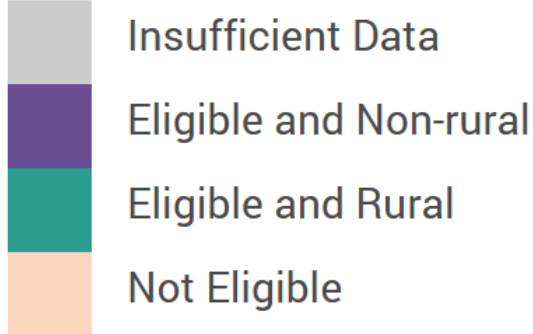
- 90-day selection window opens on **July 1, 2026**
 - 30-day extension period, **ending on October 28, 2026**
- New zones take effect on **January 1, 2027**, and last until **December 31, 2036**

OZ 2.0 Eligibility*: Hawaii County



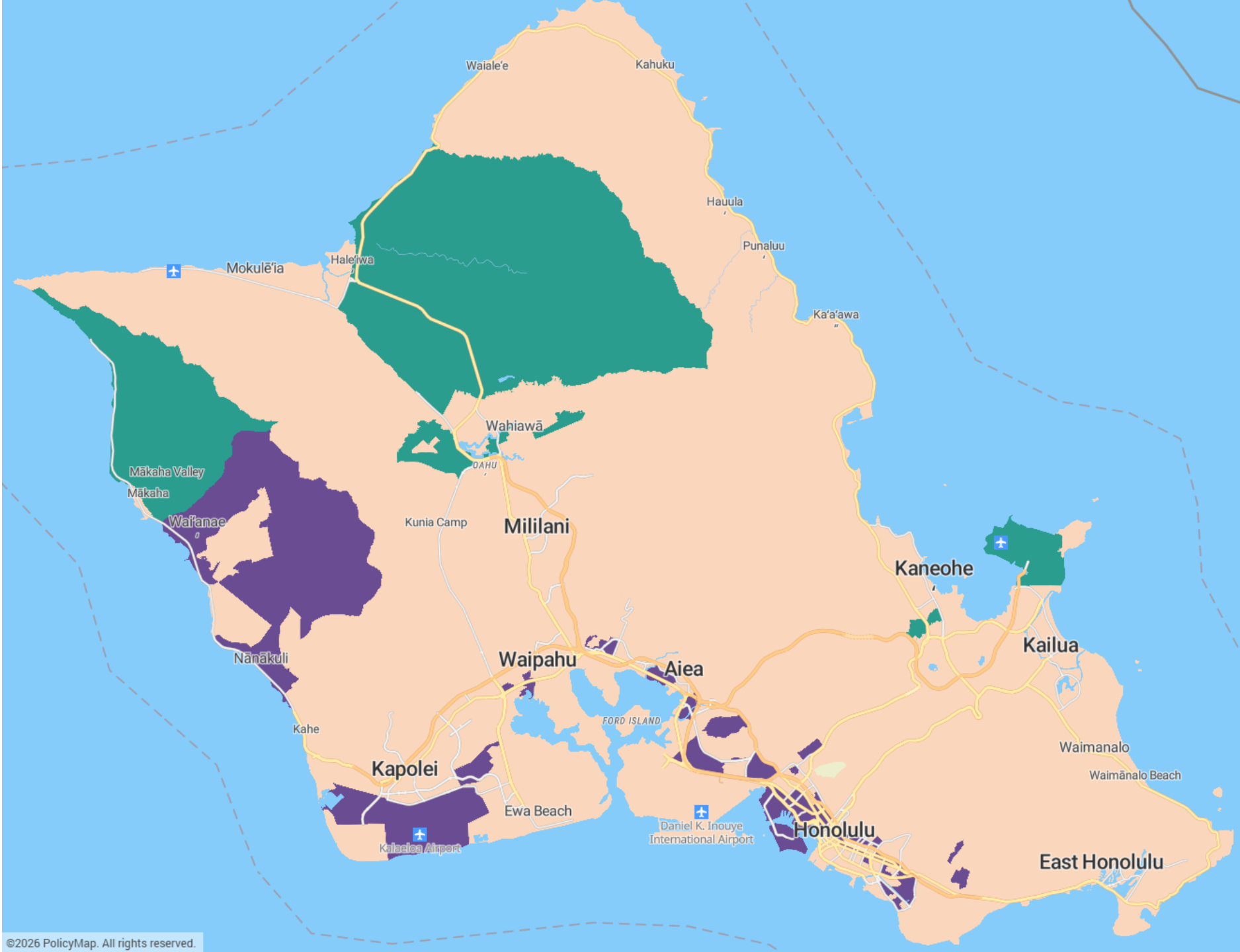
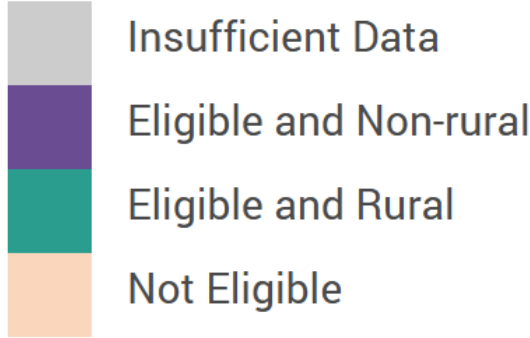
**Maps and legend are intended solely to identify census tracts based on U.S. Treasury criteria and should not be interpreted as indicating development suitability, desirability, or likelihood.*

OZ 2.0 Eligibility*: Maui County



**Maps and legend are intended solely to identify census tracts based on U.S. Treasury criteria and should not be interpreted as indicating development suitability, desirability, or likelihood.*

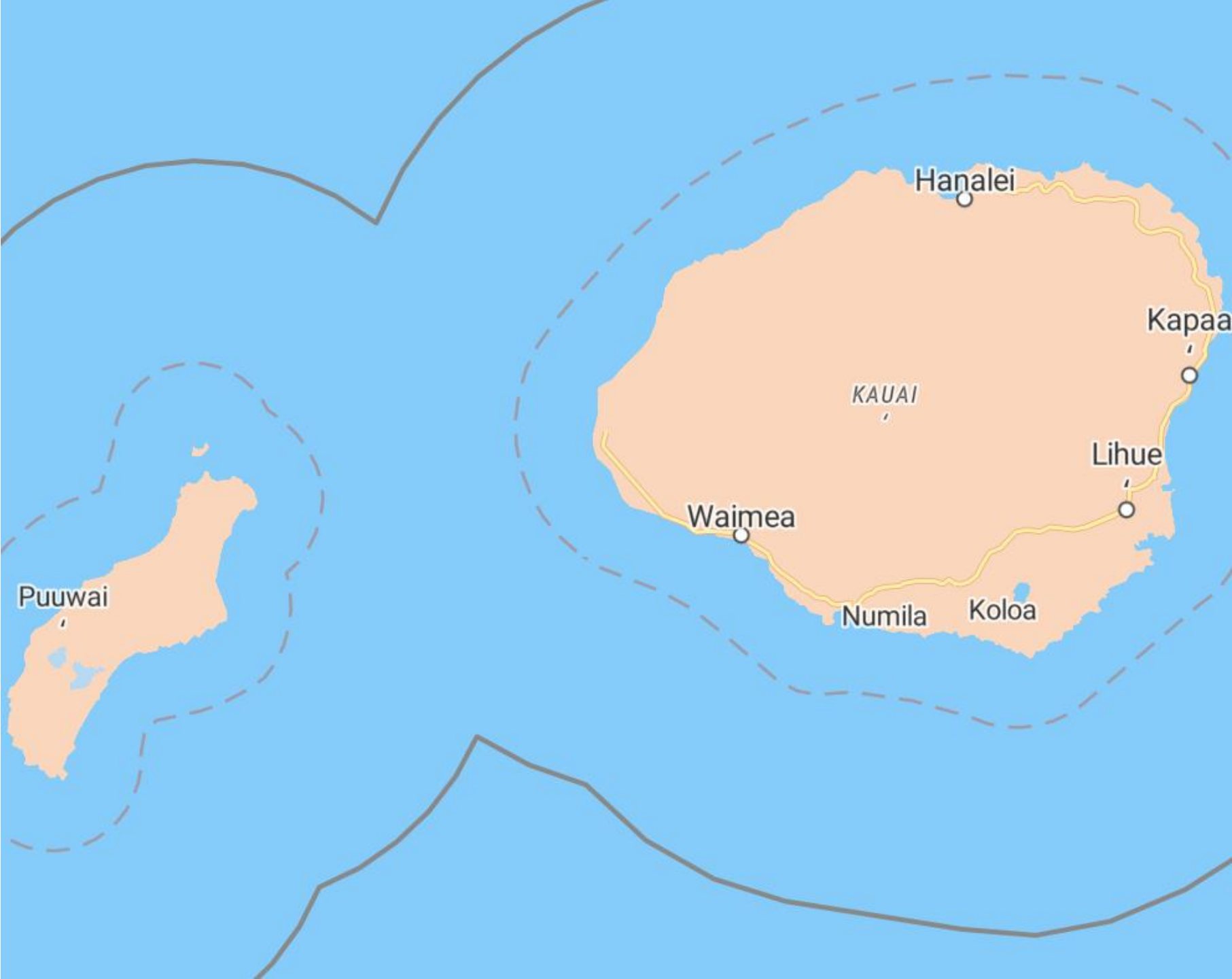
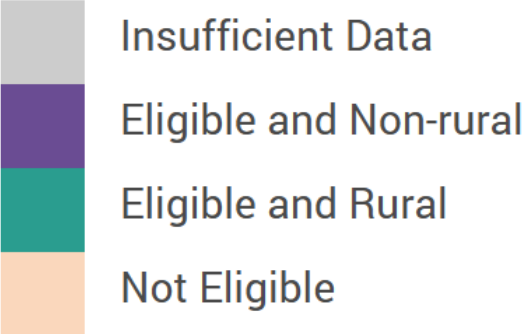
OZ 2.0 Eligibility*: Oahu



**Maps and legend are intended solely to identify census tracts based on U.S. Treasury criteria and should not be interpreted as indicating development suitability, desirability, or likelihood.*

From [Novogradac](#) and [PolicyMap](#)

OZ 2.0 Eligibility*: Kauai



**Maps and legend are intended solely to identify census tracts based on U.S. Treasury criteria and should not be interpreted as indicating development suitability, desirability, or likelihood.*

Project Prospecting Guidelines



- **Priorities.** Housing, Energy, Economic Development
- **ROI.** Projects that can deliver an ROI for investors
- **Location.** In eligible areas OR high priority projects
- **Readiness.** “Real” projects not conceptual
- **Timing.** Project investment likely to occur January 1, 2027 – December 31, 2036
- **Type.** Real Property (new construction or rehabilitation), Operating Business, Tangible Property

OZ 2.0 Market Activation Summit



Monday, June 1, 2026 from 7:30AM to 4:30PM

Topics include:

- Changes to the Opportunity Zones program
- Aligning projects, capital, and policy
- Structuring an OZ capital stack
- Breakouts: Housing, Energy, Commercial / Economic Development

An outline map of the Hawaiian Islands is positioned in the background, centered behind the text. The islands are depicted as white outlines against the solid blue background. The largest island, Hawaii, is at the bottom right, with the rest of the archipelago extending towards the top left.

Announcements

**REGISTER
HERE!**



REGISTER NOW:

**OPPORTUNITY ZONES 2.0
MARKET
ACTIVATION
SUMMIT**



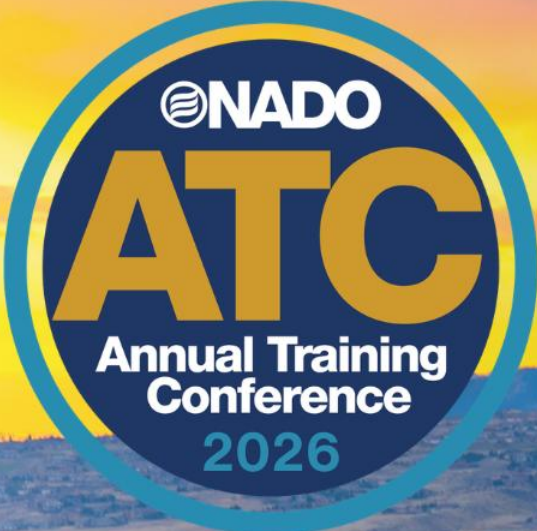
**MONDAY, JUNE 1
7:30 AM - 4:30 PM**

**UH CANCER CENTER
701 ILALO ST, HONOLULU, HI
96813**





**EVENT
INFORMATION!**



RENO, NEVADA

Monday, October 19 – Thursday 22, 2026