

BFED Committee

From: Axel I. Beers
Sent: Monday, April 11, 2022 4:41 PM
To: EA; Council Member
Cc: BFED Committee; Kelly King
Subject: Fw: MEDB Proposal for CEDS Implementation
Attachments: CEDS Proposal to Maui County Council.doc

Aloha,

CM King requested that this be distributed to all councilmembers. John Harrison may be contacted at john@medb.org if you request further information on this Plan.

BFED Committee Staff, CM King requests that this be posted to Granicus.

Thank you,
Axel



Axel Beers, Executive Assistant

Office of Councilmember Kelly T. King

South Maui Residency

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<http://mauicounty.us/>

Now is the time to provide input to update the South Maui Community Plan! <https://southmaui.wearemaui.org/get-involved/>

we are
SOUTH MAUI

From: Daniel K. Kanahale <daniel.kanahale@mauicounty.us>

Sent: Thursday, March 31, 2022 4:10 PM

To: Sarah N. Sexton <Sarah.Sexton@mauicounty.us>; Axel I. Beers <Axel.Beers@mauicounty.us>; Ellen B. McKinley <Ellen.Mckinley@mauicounty.us>; Kelly King <ktkmaui@me.com>

Subject: FW: MEDB Proposal for CEDS Implementation



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Now is the time to provide input to update the South Maui Community Plan! <https://southmaui.wearemaui.org/get-involved/>



From: John Harrisson <john@medb.org>
Sent: Thursday, March 31, 2022 4:03 PM
To: Kelly King <Kelly.King@mauicounty.us>
Cc: Daniel K. Kanahale <daniel.kanahale@mauicounty.us>; Leslie Wilkins <leslie@medb.org>
Subject: MEDB Proposal for CEDS Implementation

Aloha Kelly,

Please find attached our proposal, as discussed. Please let me know if you have any questions.

Best,

John

John Harrisson
Project Director

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john@medb.org

Proposal to Maui County Council

Comprehensive Economic Development Strategy (CEDS) Implementation

The 2022 CEDS for Maui County is being conducted per U.S Department of Commerce and its agency, the Economic Development Administration (EDA), by Maui Economic Development Board. The process has already begun with the formation of the oversight CEDS Strategy Committee, and which held its first meeting online on March 30, 2022. The County CEDS report will be completed by June 30, 2022, and will form part of the Hawaii State CEDS report, due August 31, 2022. Among next steps are the formation of Cluster (sector) Focus Groups, to facilitate community stakeholder-led dialogue and strategic planning. MEDB staff will be researching and preparing relevant background economic data to support the strategic planning process that covers the next 5-year period.

Based on MEDB's previous experience in preparing the Maui County CEDS (2005, 2010 and 2016), the valuable work of facilitating sectoral community engagement and preparing economic development strategies for the next 5 years has lacked the community will and investment resources to follow through on the recommendations. This present 2022 cycle is promising to be different as the Maui County Council, the Mayor's Office of Economic Development, and other policy makers perceive the CEDS process as the perfect time and vehicle to explore the needed diversification of the County economy, especially in light of the COVID-19 pandemic that resulted in dramatic disruption. Due to Maui County's reliance on tourism, which accounts directly or indirectly for approximately two-thirds of the economy, unemployment rates following the pandemic shutdown were the highest in the nation, at 34% in April 2020. The employed labor force in 2020 shrank by almost 25% compared to the previous year, with the shortfall measuring 14% in 2021. Lack of economic diversification likewise resulted in adverse outcomes following the shocks of 9/11 (2001) and the Great Recession of 2008-10.

The EDA mandates the CEDS process to address several issues, including industry clusters' growth, barriers to growth and economic vulnerabilities. Ideally, it will identify potential new clusters as well as critical infrastructure needs and gaps. The CEDS process requires prioritized recommendations and identification of performance measures.

This CEDS implementation request proposes that MEDB assumes the leadership role and responsibility for the assignment of identified economic development and diversification strategies and SMART goals, as well as monitoring and evaluating follow-through. MEDB will conduct community engagement via social media, virtual, and in-person meetings to facilitate community input and buy-in and to support strategy goals and objectives. MEDB will use cutting-edge technology tools and software to identify growth sectors of the economy and high-growth jobs, and track best-practices and data from other communities. Interactive benchmarking software will be employed to evaluate progress and measure results.

BUDGET

Phase I:

- Community engagement process (social media, in-person and virtual meetings) – input on assignment and alignment of CEDS strategies with SMART goals (Specific, Measurable, Achievable, Relevant and Time-bound);
- Research characteristics of what Maui County has to offer and characteristics of existing industry (cluster) shortcomings/constraints;
- Review best-practices , strategies and data from other communities
- Develop a business plan to validate the economics of solutions;
- Conduct surveys, focus groups and community engagement for validation/support.

Budget: \$375,000

Phase II:

- Using cutting-edge technology tools (e.g. ESRI, Burning Glass) gather and maintain economic data to identify growth sectors and high-growth occupations that align with Phase I results;
- Ongoing presentation of this analysis through community outreach and engagement, and form consensus on which clusters should be prioritized, based on economic, cultural, and resiliency criteria and anticipated future community requirements

Budget: \$250,000

Phase III:

- Develop economic implementation plans for each of the selected clusters;
- Develop full business models for each selected cluster including projections, timeframes, requirements, investments;
- Build and convene investment huis for venture start-up;
- Install customized software for interactive benchmarking and tracking to evaluate progress and measure results;
- Report progress at regular intervals through the anticipated 2027-8 CEDS.

Budget: \$350,000

TOTAL: \$975,000