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November 4, 2025

Honorable Richard T. Bissen, Jr.
Mayor, County of Maui
200 South High Street
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL

Mayor 11-4-25 Date

For Transmittal to:

Honorable Yuki Lei Sugimura, Chair
Budget, Finance, and Economic Development Committee
Maui County Council
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Sugimura:

SUBJECT: **RESOLUTIONS 25-193 AND 25-194, DESIGNATION OF ENTERPRISE ZONES ON THE ISLAND OF MAUI (BFED-11)**

Mahalo for the opportunity to participate in the October 21, 2025, discussion regarding Resolutions 25-193 and 25-194. In response to your follow-up request, the Office of Economic Development provides the following information:

1. The proposed list of eligible industries for Maui's Enterprise Zones, including technological additions (i.e., advanced manufacturing, software and data science, aerospace, and creative or digital media) as discussed in Committee. For each industry, please provide a brief rationale tailored to Maui's economic conditions.

The following industries are being proposed: **Aerospace Technology Research and Development**, **Software and Data Science**, and **Creative and Digital Media Development and Production**. These industries create high-wage, high-skill jobs for local residents and align with Hawai'i's goals of economic diversification, resilience, and innovation. These industries strengthen Maui's workforce pipeline and use technology to streamline and uplift other key sectors such as agriculture, ocean sciences, creative industries, and cultural preservation.

- **Aerospace Technology Research and Development:** Builds upon Maui's longstanding presence in astronomical observation and applied technology research. The region's advanced computing infrastructure and technical expertise enable innovation in fields such as environmental monitoring, remote sensing, and satellite data applications. This sector emphasizes education, STEM workforce training, and research partnerships that provide local career opportunities while supporting responsible innovation consistent with community values.

- **Software and Data Science:** Serves as a foundation for economic modernization, supporting both private industry and public sector transformation. By developing local talent in coding, data analytics, and digital infrastructure, this sector advances permitting efficiency, e-government services, and data-driven decision-making within County operations. It also strengthens other industries—including agriculture, renewable energy, construction, and healthcare—through technology integration, expanding high-wage, remote-friendly job opportunities for local residents.

- **Creative and Digital Media Development and Production:** Strengthens Maui's position in creative entrepreneurship while supporting cultural storytelling, digital marketing, and film production. This industry nurtures local creative talent, preserves cultural identity, and complements other growth sectors such as tourism, technology, and education, creating inclusive pathways for economic participation.

Together, these industries contribute to a more balanced and sustainable local economy that empowers kama'āina workers, fosters innovation, and promotes community-based economic growth.

Per our discussion at the October 21, 2025 BFED meeting, there are additional industries we intend to highlight as part of future phases. However, these three sectors represent our immediate priorities, supported by existing research and County data. OED will continue partnering with the State to identify and evaluate other emerging sectors for inclusion in the Enterprise Zone program.

2. Any constraints or eligibility concerns that would prevent slaughterhouses or other food-processing facilities, commercial kitchens, and cooperatives from being added to the list of qualified businesses.

Under the rules of the Enterprise Zone Program (HRS §209E), businesses that use such facilities for food production and manufacturing may qualify for the program, provided the facility is located within a designated Enterprise Zone. However, if the intent is to allow the property or facility owner who leases space to multiple businesses to be eligible for the program and benefits, this type of business activity would need to be explicitly added to the current statute through legislative amendment.

3. A community outreach plan for Nāpili before Council action on the resolutions. Please include dates, venues, materials, and how public feedback will shape the plan.

The Nāpili community and its surrounding area have been part of the Enterprise Zone program since May 2006. Resolution 25-193 seeks to continue providing entrepreneurs and businesses within this census tract with EZ program benefits beyond 2026. Enterprise Zone designation does not affect existing Growth Boundaries, Land Use Districts, County Development Plans, or Zoning laws. The continuation of this designation simply preserves access to incentives that encourage local job creation.

An informational briefing on the proposed redesignation was provided to the Mayor's Lahaina Advisory Committee on October 27, 2025, and a public hearing is scheduled for November 7, 2025 at the Council Chambers.

The Office of Economic Development will continue to support this State program by working with the Department of Business, Economic Development, and Tourism (DBEDT) to ensure information on the program's benefits is made accessible through outreach materials and coordination with community partners.

4. The application date to redesignate Lahaina as an Enterprise Zone.

Previously, Lahaina was not included in the Enterprise Zone program because when the West Maui Zone was designated in 2006, the Lahaina census tracts did not qualify under the statutory thresholds. However, Resolution 25-194, which establishes the new Greater Maui Enterprise Zone beginning May 1, 2026, will include Lahaina based on updated 2020 Census data. This expansion

ensures that post-wildfire recovery and redevelopment efforts are supported by the EZ program's tax incentives and business support mechanisms.

Mahalo for your attention in this matter. Should you have any questions, please contact me at ext. 8275.

Sincerely,

JADE ROJAS LETISI
Director of Economic Development

BFED Committee

From: Michelle L. Santos <Michelle.Santos@co.maui.hi.us>
Sent: Tuesday, November 4, 2025 4:12 PM
To: BFED Committee
Cc: Jade P. Rojas-Letisi; Cynthia E. Sasada; Didi A. Hamai; Erin A. Wade; Josiah K. Nishita; Kelii P. Nahooikaika
Subject: MT#11285 RESOLUTIONS 25-193 AND 25-194
Attachments: MT#11285-BFED Committee.pdf