

RICHARD T. BISSEN, JR.
Mayor

JOSIAH NISHITA
Managing Director

CYNTHIA LALLO
Chief of Staff

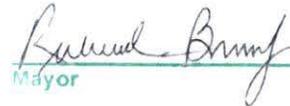


OFFICE OF THE MAYOR
COUNTY OF MAUI
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WAILUKU, MAUI, HAWAII 96793
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August 5, 2025

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

APPROVED FOR TRANSMITTAL


Mayor 8/5/2025
Date

For Transmittal to:

Honorable Yuki Lei K. Sugimura, Chair
and Members of the Budget, Finance, and Economic Development Committee
200 South High Street
Wailuku, Hawaii 96793

Dear Chair Sugimura:

SUBJECT: MAUI ECONOMIC RECOVERY COMMISSION UPDATE (BFED-20(13))

Pursuant to your correspondence dated July 28, 2025, the following are responses to your questions:

1. Related to the role of the Office of Economic Development in economic recovery:
 - a. What is OED's current role in the economic recovery process - lead implementer, support agency, or other? Please explain.

In response to the 2023 wildfires, the Office of Economic Development (OED) has been working in support of the Office of Recovery (OOR), which leads the implementation of the Long-Term Recovery Plan. That plan includes the priorities and recommendations of the Economic Recovery Commission (ERC). OED's contributions include both strategic input and logistical support.

Some additional information:

The role of the County of Maui Office of Recovery (OOR), and how does it compare to the role of the Office of Economic Development (OED):

OOR serves as the lead agency responsible for coordinating and implementing long-term recovery efforts in response to the August 2023 wildfires. Its mandate includes overseeing recovery across multiple sectors—such as housing, infrastructure, economic revitalization, health, social services, and cultural and environmental restoration.

Key functions of OOR include:

- Leading the implementation of the County's Long-Term Recovery Plan;*
- Managing major federal recovery funding streams, including the Community Development Block Grant–Disaster Recovery (CDBG-DR) program;*
- Coordinating across local, state, federal, and nonprofit agencies;*
- Engaging directly with impacted communities to ensure recovery efforts are equitable, transparent, and aligned with community priorities;*
- Tracking outcomes and ensuring compliance with federal requirements.*

In contrast, OED maintains its countywide mission to support and diversify Maui County's economy through:

- Workforce development partnerships;*
- Legislative and policy initiatives;*
- Sector-based support (Kamaaina Economy-health care, technology, construction, creative industries; small business, visitor management).*
- Small business development;*
- Administering grant programs that support nonprofit and community-led economic activities. (e.g., culture and arts, technology, small business promotion, sports and events, economic diversification).*

While OED plays a strategic and supportive role in economic recovery—particularly through coordination, technical assistance, and alignment of countywide efforts—it is not the lead implementer for wildfire recovery funding or programming. That responsibility lies with OOR,

which has dedicated staffing and resources to manage the scale and complexity of post-disaster recovery.

The two offices work collaboratively, ensuring that recovery efforts are aligned with Maui County's broader economic goals and that there is no duplication of efforts.

What is OED's current role in the economic recovery process—lead implementer, support agency, or other? Please explain.

OED currently serves as a support agency in the County's economic recovery process. While our office continues to fulfill its broader mandate of supporting economic development countywide, our role in wildfire recovery efforts is one of collaboration and strategic assistance.

OED supports the County's economic foundation by partnering with workforce development agencies, advancing legislative priorities, strengthening key industry sectors, and assisting small businesses. We also administer grant programs that fund community-based initiatives aligned with our mission to diversify and strengthen the local economy.

We remain committed to ensuring that economic recovery efforts are grounded in community needs, aligned with broader County goals, and delivered in coordination with key partners across sectors.

b. Is OED's role anticipated to change to include more direct implementation responsibilities related to wildfire economic recovery? If no, why not?

At this time, OED is not anticipated to take on a lead implementation role in wildfire economic recovery. OED will continue to focus on its broader, countywide economic development initiatives, including support for small businesses, key sector development, and workforce partnerships across all regions of Maui County.

OOR has been specifically staffed and funded to lead the implementation of the Long-Term Recovery Plan, including the economic recovery components. With dedicated personnel, resources, and oversight of major funding streams—such as the CDBG-DR—OOR is well-positioned to carry out direct implementation. OED will continue to provide strategic coordination and support, ensuring alignment between long-term recovery efforts and broader economic development goals.

This structure helps avoid duplication of efforts, ensures efficient use of limited resources, and leverages the strengths of each office.

2. Related to the availability of grants and support for essential businesses in wildfire-impacted areas:

a. Can an entrepreneur apply to OED for funding or technical assistance to launch an essential service business, such as a laundromat, childcare facility, mobile hygiene unit, or similar use in a wildfire-impacted area? Please explain.

At this time, OED does not operate a direct grant program for individual entrepreneurs or start-ups seeking to launch essential service businesses in wildfire-impacted areas. OED's grant programs are primarily focused on supporting nonprofit organizations, business associations, and sector-based initiatives that have a broader community or economic impact.

However, OED can offer referrals, coordination support, and connections to resources that may be available through other entities—such as OOR, the Economic Development Administration, or private and nonprofit partners. In some cases, OED may also support technical assistance programs, workshops, or intermediary organizations that help entrepreneurs navigate business planning, permitting, and access to capital.

We recognize the critical importance of essential services in the recovery zones and continue to collaborate with the OOR and other agencies to identify and support pathways for small business development and community-based economic resilience.

b. Are any new or expanded programs being developed to address the unique challenges facing essential service providers in wildfire-impacted areas, including access to commercial space, startup capital, and temporary operating conditions? Please explain.

Yes, OOR is creating the programs and roll out per their timeline and funding (attached).

c. Has OED partnered with the Maui Chamber of Commerce, LahainaTown Action Committee, or other organizations to develop or expand programs in wildfire-impacted areas? Please explain.

Yes. In the immediate aftermath of the August 2023 wildfires, the OED responded quickly by partnering with state agencies, Recovery Support Functions (RSFs), and nonprofit organizations to launch a two-tiered small business grant program for wildfire-impacted businesses. This program provided critical early-stage financial support to help stabilize businesses, retain jobs, and maintain economic activity in severely affected communities.

As the County transitioned into longer-term recovery efforts, the newly established OOR assumed a lead role in coordinating economic recovery initiatives. This included expanding partnerships and strategically deploying County resources through line-item grants to trusted local organizations engaged in place-based and culturally relevant recovery work. These investments have included:

- **LahainaTown Action Committee** – \$250,000
- **Lahaina Restoration Foundation** – \$1.8 million
- **Hawai'i Community Lending** – \$7.5 million
- **Ke Ola Hou** – \$500,000
- **Council for Native Hawaiian Advancement (CNHA)** – \$700,000
- **Maui Economic Opportunity (MEO)** – \$200,000
- **Ho'ola and Nā Kia'i O Maui** – \$120,000

These partnerships are focused on a range of critical recovery needs, including business stabilization, cultural preservation, financial empowerment, community navigation, and long-term economic resilience. The County remains committed to working alongside these and other organizations to ensure recovery efforts are community-driven, transparent, and responsive to the evolving needs of impacted residents and businesses.

3. Related to coordination and accessibility of economic development support:

a. Does OED have a process to identify and prioritize community-driven business proposals in wildfire-impacted areas that meet urgent recovery needs but are delayed due to zoning, meter availability, or site readiness? Please explain.

N/A please consult with OOR

b. Does OED currently provide, or plan to provide, grant funding or technical assistance for such proposals, including businesses such as laundromats, childcare facilities, or mobile hygiene services? If no, why not?

The OED is not currently offering direct grant funding or technical assistance for proposals such as laundromats, childcare facilities, or mobile hygiene services. However, as part of the County's long-term wildfire recovery strategy, OOR is working in partnership with nonprofit organizations to address these and other essential community needs.

While OOR is not issuing a general request for grant applications, it is directing targeted funding to trusted nonprofit partners who are positioned to implement programs that support recovery priorities—including community health, economic stability, and essential services. These programs will be funded through the County and managed by our nonprofit partners, many of whom are already embedded in the affected communities.

This approach ensures that support can be delivered more quickly and effectively by organizations with existing infrastructure, cultural alignment, and community trust.

- c. Are applicants who lack final permits, water meters, or other infrastructure ineligible for economic development support? If so, under what circumstances?

N/A please consult with OOR

- d. Please outline the steps a business owner must follow to obtain a County grant to open a new essential service business in a wildfire-impacted area. In your response, please:

- i. Identify how much funding is currently available for such programs and the sources of those funds.

Please see table and timeline attached from OOR

- ii. Indicate whether additional funding is being sought, and if so, from which entities or programs.

Yes. The Mayor's Office and the OED have dedicated staff responsible for identifying, researching, and writing grant proposals to support a wide range of County needs. In addition, OOR is actively seeking supplemental funding to support ongoing recovery and resilience efforts in wildfire-impacted communities.

Given the complexity of the current federal funding landscape, traditional pathways for securing resources require extensive research, vetting, and coordination to ensure eligibility and alignment with community priorities.

In parallel, the County continues to build collaborations with philanthropic partners and national foundations to secure flexible, community-centered funding. These resources are critical to supplement local efforts and to ensure that programs remain responsive and sustainable as recovery needs evolve.

- iii. Describe the application and approval process using a hypothetical applicant seeking to open a laundromat in Lahaina.

OOR and CDBG-DR are developing partners and as soon as complete the information will be made publicly available

Mahalo,

A handwritten signature in black ink, appearing to read 'Cynthia Lallo', written in a cursive style.

Cynthia Lallo
Chief of Staff

Program Overview

\$1,639,381,000

awarded to County of Maui

Program	Budget
Housing	\$ 903,579,950.00
Mitigation Set Aside	\$ 213,832,000.00
Economic Revitalization	\$ 15,000,000.00
Infrastructure	\$ 400,000,000.00
Public Services	\$ 25,000,000.00
Admin	\$ 81,969,050.00

Program Timeline

Infrastructure and Public Facilities

Multi-Family Rental Housing Reconstruction

December 2025

August 2025

Single-Family Homeowner
Reconstruction

First-Time Homebuyer
Opportunity

Early 2026

Economic Revitalization

Public Services

Single-Family & Multi-
Family New Construction

Mitigation and Resiliency Improvements

BFED Committee

From: Estrelita B. Dahilig <Estrelita.B.Dahilig@co.maui.hi.us>
Sent: Wednesday, August 6, 2025 10:37 AM
To: BFED Committee
Cc: Cynthia D. Lallo; Emily E. Bartow; Josiah K. Nishita; Erin A. Wade; Cynthia E. Sasada; Keli P. Nahooikaika
Subject: TRANSMITTAL: MAUI ECONOMIC RECOVERY COMMISSION UPDATE (BFED-20(13))
Attachments: MT#11158-BFED COMMITTEE.pdf

Aloha,

Please see attached transmittal dated August 5, 2025, from Mayor's Office Chief of Staff, Cynthia Lallo regarding the above subject matter.

Thank you and have a great day!

Mahalo,
Lita



Lita B. Dahilig

Secretary

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