

## 2001 Annual Report Executive Summary

### Molokai Enterprise Community

In its third year of operations, the Moloka‘i Enterprise Community prioritized eighteen of the projects in its original 10-year strategic plan for immediate implementation. Enterprise Community funds have been allocated to each of these projects as seed money, and project leaders are working to leverage these funds with a broad array of partners. The volunteer Enterprise Community board, Ke Aupuni Lōkahi has led the volunteer efforts of many Moloka‘i citizens to transform the EC plan into reality.

**Economic Progress:** The most impressive measurement of the EC’s success to date comes in the form of a significant reduction in Moloka‘i’s unemployment rate. When the island filed its EZ application in October 1998, its 17% unemployment rate was the highest in the state of Hawai‘i. In the month of December 2002, Moloka‘i’s unemployment rate was down to just 5.5% – a rate lower than all but two of the state’s six main islands. State Department of Labor statistics show an increase of 100 new jobs on the island, which helped to lower the unemployment rate. Many of these jobs are attributable to EC projects.

**Jobs Created:** Since its designation as an Enterprise Community in December 1998, the Moloka‘i EC has created a total of 88 new full-time jobs. More than 80% of these jobs have been sustainable positions. Those that have been short-term (primarily in the Fishpond and Watershed projects) have prepared their workers to obtain employment in the existing employment sector. The following projects and administrative services have created the following number of full-time equivalency positions: Aquaculture/Fishponds 12 jobs Commercial Kitchen 1 job Dialysis Facility 4 jobs EC Administration 4.5 jobs Learning Centers 19.5 jobs School-to-Work 36 jobs Taro Production 4 jobs Waste Management 1 job Watershed Protection 6 jobs

**Youth Job Training Placements:** In the past 12 months, the EC’s Youth Opportunity (School-to-Work) project has enrolled and assessed nearly 400 Moloka‘i youths ages 14 to 21. Of these enrollees, 171 have been placed with local employers for job training. So far, 47 of these youths have been successfully placed in regular unsubsidized jobs.

**Funds Leveraged:** Since receiving notice of its EC designation in January of 1999, the Moloka‘i EC has leveraged a total of \$17,827,187 for both program and operational expenses. This amount does not include the annual \$250,000 EC grant. Currently, the Moloka‘i Enterprise Community’s leveraging ratio is 24:1 (i.e., since January 1999, \$24 has been raised for every dollar from the USDA EC grant). The administrative expense of leveraging these funds and administering the Enterprise Community amounts to only 4% of the overall total of all funds raised to date.

**Governance and Administration:** The Moloka‘i Enterprise Community continues to be governed by a volunteer community board, Ke Aupuni Lōkahi (“Leaders Working Together”). The board has formally met at least once a month over the past year to set policy and establish budgets for the EC funds appropriated through the USDA. Ke Aupuni Lōkahi contracts with a locally-based 501(c)(3) organization, the Moloka‘i Community Service Council (MCSC), to provide administrative, fiscal, and program development services, paying 15% of the annual USDA EC award for these services. The remaining funds needed for administration of the EC have been leveraged from external governmental and private sources.

**Community Involvement:** Moloka‘i community residents continued to participate in individual EC projects as well as governance meetings and community outreach events. A total of 175 meetings on

projects and governance were held during the past year. 119 meetings were held on individual EC projects, four of which conducted an additional 9 public meetings focused specifically on their projects. Ke Aupuni Lōkahi, the volunteer Enterprise Community Board, held a total of 12 meetings, and the Board's Executive Committee conducted an additional 12 meetings. Subcommittees of the EC Board held a total of 20 meetings. In addition, over the course of the last six months public meetings were held in each of the three major districts on the island, with over 100 community residents attending each one.

Partnerships: Since being designated an EC three years ago, the Moloka'i EC has attracted a total of 42 partners for EC projects and administration. These partners have provided and/or pledged to provide funds, technical support, project leadership, and/or in-kind services. Twenty-four of these 42 partners are private entities, while 18 are governmental partners, including federal, state and county agencies.

Progress on EC Strategic Plan: Of the eighteen Moloka'i EC projects prioritized to date, the following have made especially significant progress over the past year: ■ Taro Production: Taro, the traditional staple crop of Native Hawaiians, is now being farmed on a scale not seen since a tidal wave destroyed the fertile valley where the largest crop was grown 50 years ago. The EC target for this project was to put 30 acres into production. The project has already met this target, with 30 acres now in production, and more being added just as quickly as nursery stock becomes available. A new farmer's cooperative, Hui Laulima, is producing the crop, and a total of 4 new jobs have been created by this project to date. The global market for taro and its value-added products is substantial, since its nutritional value is high and it is uniquely hypo-allergenic – thus making it ideal for products such as baby food. Moloka'i has thousands of acres of arable farmland, and great potential as a future breadbasket for the state. ■ Commercial Kitchen: A viable food production industry is one of the cornerstones of the Moloka'i EC's economic recovery plan. The Lanikeha Commercial Kitchen, first of the EC's planned food processing facilities, is now finished and will be ready for occupancy shortly. Funding has been secured for a kitchen manager who will also provide business training and support, as well as marketing assistance. The Kitchen will provide a Department of Health-certified facility where value-added products can be produced. One of the first prospective users of the new kitchen will likely be the taro farmers who are working on the EC Taro Production project. ■ Learning Centers: Last year, Moloka'i won a 21st Century Learning Center grant from the U.S. Department of Education. Its EC designation helped to secure the funds, since preference points were given to EZ and EC communities. The program is now up and running, offering a wide variety of after-school classes to the entire community. Music classes, computer labs, and auto repair courses are some of the learning opportunities now available to the community at all of the island's elementary schools and at the island's sole high school. These offerings are proving to be very popular with youth and adults. A total of 19.5 full-time equivalent positions have been created through this federal grant. ■ School-to-Work: In the year 2000, Moloka'i was also fortunate to receive a Youth Opportunity grant from the U.S. Department of Labor, as a result of its EC status. Over the course of the past year, the program has hired staff, developed programs, and enrolled more than 400 youths to date. Eligible youths must be Moloka'i residents between the ages of 14 and 21. Services include case management, life and leadership skills development, and job and college preparation. So far 171 youths have received job site training, and 47 of these have secured unsubsidized employment.