



## YEARLY ACTIVITY PLAN (YAP) - FY '10 – FY '11

Division/Attached Agency:

Program Name:

Program ID:

### I. PROGRAM PLANNING

**Problem, issue or opportunity statement:** Describe the problem, issue and/or opportunity your program is attempting to respond to.

**CBED Mission Statement:** *“A successful community economic development project integrates a community’s vision with the realities of economic viability. The CBED Program provides training and capacity-building opportunities, and invests in community economic development projects that result in measurable economic impact”*

The CBED Program’s mission and activities support DBEDT’s mission in the following ways:

**Short-term:** Supporting the **Hawaii Five Point Economic Plan** by helping *“maximize Federal Partnerships and funding.”* Examples of this kind of support are illustrated in the CBED Program’s 2005 funding of \$10,000 for the design of a Community Center in Ho`okena on the Island of Hawaii. Building on this initial project, the community organization were able to secure an additional \$100,000 grant from HUD for further planning and initial construction of the Center.

**Long-term:** Supporting DBEDT’s *“efforts to...create the conditions to encourage and facilitate increased productivity, entrepreneurial effort and innovation.”* In 2006, the CBED program provided a \$24,500 grant to the Hawaii Alliance for Community-Based Economic Development (HACBED) to train two (2) representatives each, from 20 different organizations Statewide over a nine month period, in areas of: venture development and integrating the venture into a broader community economic development strategy, organizational management and development; and community organizing and mobilization. The CBED Program, additionally, at a cost of \$15,000, co-sponsored a 4-day conference on Native Hawaiian Community Development which included 1,100 participants from all islands of Hawaii, the South Pacific, Alaska and the Mainland, representing more than 400 organizations. The conference resulted in an estimated \$1.3 million in economic impact on local spending, and included 26 plenary presentations and 19 informational workshops and capacity-building training sessions.

**Problems & issues the CBED Program addresses include:**

Hawaii’s greatest challenge in the coming years is to restructure our economy to focus on human development. We must strengthen the abilities of our people to permit Hawaii to compete and thrive in the global economy.

Restructuring an economy is not easy or fast. Any attempt to change an economy requires a broad effort that encompasses the diverse elements of an economy. Our efforts to focus on human development must also be mindful that not every region within our State has reaped the same benefits from our strong economy.

Some regions are less able to take advantage of a strong economy due to remote locations lacking access to traditional business opportunities and financial capital, and having limited education and

Note: This form was created using the W. K. Kellogg Foundation Logic Model Development Guide, January 2004.

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workforce training opportunities. Some regions may not desire large-scale economic development with the accompanying large infrastructure. Our rural communities usually face all these challenges: remote locations, access to resources, and the strong desire to build a new kind of community economic development which supports the regional economy.

State government has made a number of attempts to promote economic development in remote communities, all with limited success. Perhaps we were handicapped by an attitude that “the State” had the answer, and did not listen to the community. Perhaps we didn’t pay enough attention to the details that interfere with people’s abilities to access jobs, such as childcare and transportation. Perhaps we didn’t realize that people must meet their basic needs for housing, food and health, before they can participate in developing their community’s economy. Perhaps our efforts were too narrow; a single State office can’t resolve complex issues that require a partnership of labor, education, other programs and agencies, and alliances with the private sector.

**Need and partners:** Provide quantitative evidence to show the scope and nature of the problem or opportunity you are working on. Identify partners you will be working with to address the problem, issue and/or opportunity. Describe why government should be part of the solution.

The Federal government increasingly recognizes the efforts of communities to plan and implement community economic development initiatives that reflect the community’s vision with the realities of economic viability and result in measurable economic impact.

In 1998 the Federal government developed the Empowerment Zone Program, designed to award federal funds for implementation of community-generated plans. More and more, Hawaii’s communities are beginning to come together to begin planning their future.

The CBED Program can help these communities, as new projects and plans have developed from the Empowerment Zone application processes, and (the program) has become an important, primary contact point between Hawaii’s communities and State government. In the long-term, if communities throughout the state continue to plan and create their own economic development projects, DBEDT and CBED need to meet the growing demand for support.

State government needs to be more involved in the support and planning of community economic development at the grassroots, nonprofit level. Community economic development and the community nonprofits that drive the movement, are Hawaii’s fourth largest economic sector. In 2002, Hawaii ranked 19<sup>th</sup> among the 50 states in terms of number of nonprofits, and our nonprofit sector is growing at a faster rate than the rest of the nation. We have more nonprofits per capita than the national average and the number of nonprofits here grew by roughly 50 percent between 1992 and 1999.

The nonprofit sector is an important contributor to Hawaii’s economy, with employment, revenues, and growth that has outperformed other industries during the past decade. The sector represents more than 9% of total employment and 10% of total payroll for Hawaii. It is fourth largest employer behind Government, Services, and Retail Trade.

The nonprofit sector has unique advantages that allow it to complement, but not substitute for, State government. These include special community networks and knowledge, and the ability to innovate, leverage private resources, and weather electoral cycles.

State government has four primary points of contact with the nonprofit sector: it is a coordinator and planner of public services, customer of nonprofit services, provider of business and industry support to nonprofits, and controls regulation and taxation which impact the sector.

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Given the strengths of nonprofits, the State should focus on utilizing them when one or more of the following applies: (1) rapidly changing community conditions require flexibility or innovation; (2) the State lacks specialized local knowledge and relationships to promote program objectives; (3) a long-term approach beyond electoral cycles is required; and (4) private funding or volunteer labor can cut costs.

### CBED Partners:

Federal: Economic Development Administration (EDA), HUD, USDA, USAD-Rural Development, Administration for Native Americans (ANA), Dept. of Energy, Dept. of Health & Human Services;

State: Dept. of Agriculture (DOA), Hawaiian Tourism Authority (HTA) Dept. of Hawaiian Home Lands (DHHL), Health & Human Services (DHS), Dept. of Health (DOH), Dept. of Land and Natural Resources (DLNR), University of Hawaii (UH), Leeward Community College, Dept. of Education (DOE), Office of Hawaiian Affairs (OHA), Office of Community Services (OCS), Dept. of Planning;

County: Hawaii County R&D, Economic Development Offices of all counties;

Private: Castle Foundation, Consuelo Zobel Alger Foundation, Hawaii Community foundation, Queen Lilioukalani Children's Center, Bank of Hawaii (CRA), American Savings Bank (CRA).

**Desired results (outputs, outcomes and impacts):** What will success look like? Describe what you expect to achieve in the short-term (0-2 years) and long-term (2-6 years).

### Outputs

- Assist in the establishment and development of economically viable, traditional or community-based businesses in Hawaii.
- To build the skill level or capacity of the community to become more economically self-sufficient.
- To give preference and priority to grant proposals that: (a) have a majority (50%) ownership by community residents; and (b) have a majority of employees who are residents of the community; (c) possess a demonstrated business plan, strategic plan, or feasibility analysis to utilize and sustain the available resources within the community; (d) can adequately demonstrate their conformance with the community's definition of cultural and environmental acceptability; (e) can demonstrate the potential for economic viability while generating socioeconomic benefits for the community; and (f) provide for community empowerment through the use of a generally accepted strategic plan or other vehicle that reflects community values, goals, and vision.
- To empower the community by becoming self-sufficient and self-reliant.

### Impacts

- Improve coordination between communities, state government and the private sector.
- Improve state and federal policies, programs and support for community-based economic development.
- Improve the conservation, effectiveness and utilization of community resources.

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- Allow government and communities to more effectively respond to economic and socioeconomic crisis' at the local level.
- Undertake short, medium and long-term action to provide communities with the necessary resources and partnerships to take responsibility for themselves and create conditions which serve social and economic development.
- Reverse the process of social and economic decline and stimulate growth in communities

**Influential Factors:** List the factors you believe will support or hinder your ability to impact the problem or opportunity.

- Department funding (Budget)
- Legislative funding (Bill)
- Failure of the Contracting System within the DBEDT to complete process on a timely basis.
- Program ability to form partnerships / collaborative efforts
- State of the economy
- DBEDT priorities / goals
- Land Use policy
- Ability of the CBED Program to access funds from sources other than General Funds

**Strategies:** List the "best practices" that have helped other programs achieve the kind of results your program promises.

CBED differs from other theories of economic development by emphasizing increased community control over its own economic resources through the establishment of community institutions.

The CBED Program:

1. Assists in the creation, development and empowerment of nonprofit, community-controlled organizations.
2. Builds the skill level or capacity of the community to become more economically self-sufficient through financial (grants and loans) and technical assistance.
3. Nurture community-based institutions to create viable economic ventures, partnerships and reduce dependence on social welfare programs.

The CBED Program will also play a major role in combination with other State agencies which serve rural communities, working together to develop a model State-Community partnership, particularly on initiatives such as the **Leeward Coast initiative** and the **Hawaii Clean Energy Initiative**. The purpose will be to generate and support community-based economic development and the ability of rural residents to meaningfully participate in the regional economy through strengthening rural community human resources, support environmentally beneficial initiatives that promote community health and welfare, and improve the effectiveness of the state and private programs which serve them. Basic steps will include:

1. Deploying a cross-cutting team of staff from all state agencies which service rural communities in order to create a model which integrates the currently segregated state programs and services to individuals, including job training and placement, childcare, housing, health welfare and environmental.
2. Developing a true State Community partnership, in which the State works with the community to effectively connect these programs and services with the community, and identify the long and

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short-term means best suited for that community to overcome barriers impeding residents from developing or participating in economic opportunities prioritized by the community.

3. Measuring the long and short-term outcomes of the strategic actions to identify the means which are most effective, and why, so that the model may be successfully deployed in other interested communities.

The State will begin by working with the community to identify community priorities, opportunities, barriers, and solutions.

**Assumptions:** State the assumptions behind *how* and *why* the change strategies you have identified will work. Use 'If - then' statements, i.e. "if \_\_\_\_\_ then \_\_\_\_\_ happens."

The key characteristic of a healthy community economic development program is a long-term vision that encompasses individual projects that are economically feasible and self-sustaining, which cumulatively improve the community as a whole.

## II. PROGRAM IMPLEMENTATION

**Resources:** Describe the resources available to support your program.

- ✓ The CBED Revolving Fund provides grants and low interest loans to qualified non-profit, community-based organizations.
- ✓ The Department of Human Services (DOH) may enter into a partnership with CBED for TANF funds of up to \$100,000.
- ✓ The Department of Health (DOH) is reviewing a MOA to provide up to \$637,500 through the CBED Program and DBEDT for environmentally beneficial initiatives developed by communities, with priority given to Leeward Coast communities as part of the Leeward Coast Initiative.
- ✓ CBED has been selected to assist with outreach efforts to communities Statewide for the Hawaii Clean Energy Initiative.
- ✓ Skilled, knowledgeable program staff.
- ✓ Diverse, knowledgeable CBED Advisory Council appointed by the Governor.
- ✓ Legislative contacts and network.
- ✓ CBED's positive reputation and community standing.
- ✓ Statewide community network: Community-Based non-profits, Technical Assistance Providers, Cooperatives, Community leaders.
- ✓ Cooperation and partnerships with other government agencies and private industry.

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**Activities:** Describe each of the activities you plan to conduct within your program.

1. Provide financial assistance in the form of grants and low interest loans to qualified community-based non-profit organizations.
2. Provide technical assistance in the form of workshops and conferences, and one-on-one meetings to qualified community-based, non-profit organizations.
3. Review grant applications and prepare appropriate applications for CBED Advisory Council review.
4. Prepare contract documents for approved CBED and CBED grantee projects.
5. Monitor agreements and contracts.
6. Provide more information about the CBED Program and DBEDT programs to the general public.
7. Provide grants, technical assistance and facilitate partnerships between government agencies, private industry and community-based organizations to further the initiatives for the Leeward Coast and Hawaii Clean Energy Initiatives.

**Outputs:** For each program activity, identify what outputs you aim to produce.

1. Provide financial assistance in the form of grants and low interest loans to qualified community-based, non-profit organizations.

**Output:**

- 20 – 40 grants to qualified community-based organizations for community economic development planning and implementation, environmentally beneficial community initiatives, and clean energy planning initiatives.
- Job creation.
- Businesses created or expanded.
- Leverage program funding.

2. Provide technical assistance in the form of workshops and conferences, and on-on-one meetings to qualified community-based, non-profit organizations.

**Output:**

- Provide a minimum of 10 statewide workshops for organizations and individuals to build capacity and empowerment.
- Co-sponsor 1-2 economic development conferences to provide information sharing of economic development, clean energy, leadership (entrepreneurship) and community empowerment “best practices.”

3. Review grant applications and prepare appropriate applications for CBED Advisory Council review.

**Output:**

- Review and prepare 20 – 40 grant applications for review and recommendation to fund by the CBED Advisory Council.

4. Prepare contract documents for approved CBED and CBED grantee projects.

**Output:**

- Prepare contract or Letters of Agreement for 20-40 CBED grants.

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5. Monitor agreements and contracts.

**Output:**

- Monitor 20 – 40 new contracts or agreements, plus an additional 12 pre-existing agreements from prior year \*FY 2008).

6. Provide more information about the CBED Program and DBEDT programs to the general public.

**Output:**

- Conduct a strategic planning session for CBED Advisory Council members to include review of CBED Program mission, goals and objectives, and alignment with DBEDT goals and initiatives.

7. Provide grants, technical assistance and facilitate partnership between government agencies, private industry and community-based organizations to further the initiatives for the Leeward Coast and Hawaii Clean Energy Initiatives.

**Output:**

- Provide, as part of the 20-40 grants to qualified community-based organizations and the Leeward Coast Initiative, funding for environmentally beneficial community development initiatives and Hawaii Clean Energy Initiative.
- Provide staff-time to implement DBEDT survey of communities for Hawaii Clean Energy Initiative.

**Outcomes:** Identify the short-term (0-2 years) and long-term (2-6 years) outcomes you expect to achieve.

**Short-Term Outcomes:**

- Participatory decision-making for communities.
- Plans developed and/or implemented for community economic development, environmentally beneficial initiatives, and clean energy initiatives.
- Empowerment of community-based organizations and individuals (community members).
- Increased community benefits, such as leadership development, capacity-building, asset-building, development of business skills and organizational skills, increased networking.

**Long-Term Outcomes:**

- Socio-economic benefits for communities.
- Development or expansion of businesses.
- Increased creation of economic opportunities within communities.
- Job creation.
- Development of more self-sufficient communities and organizations.
- Improved economic environment in depressed rural areas.
- Less dependency on oil for energy, resulting in lower costs for residents and businesses.

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**Impact:** Describe the lasting impact you anticipate.

- People will increase their capacity to manage their own initiatives and efforts.
- Communities will have more control over developmental processes in their areas.
- Democratic processes will be maximized in internal decision-making.
  
- Innovative approaches will be used in redefining and working towards alternative solutions to economic social problems.

### III. PROGRAM EVALUATION

**Indicators:** Describe what SMART ('specific; measurable; action-oriented; realistic; and timed') indicators can be collected that would convey the status of your program.

Provide Financial Assistance: Grants & Loans:

- Number and types of businesses started.
- Number of jobs created or maintained.
- Number of community-based organizations still in existence.
- Number of businesses or community-based organizations generating sustainable revenue.
- Perceptions of organizations as to whether their businesses/projects are viable.

Provide Technical Assistance: Workshops & Conferences:

- Number of participants whose business skills or knowledge have further developed due to the workshop.
- Number of participants who received a grant or loan due to assistance from the workshop.
- Number of increased membership.
- Number of community-based organizations that increased the role of active members.
- Number of organizations that formed partnership or networking opportunities.
- Number that secured matching funds.

Inform the Public About the Program:

- Newspaper Advertisements
- Through other community-based organizations
- Brochures
- Other programs and/or agencies
- News stories / articles

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**IV. ALIGNMENT**

How Is your program linked to DBEDT's six strategic objectives?		
1.		Workforce Housing
2.	<b>X</b>	Workforce Development
3.	<b>X</b>	"Energy For Tomorrow"
4.		"Global Links/Export of Goods and Services"
5.	<b>X</b>	The Creation of An "Innovation Infrastructure"
6.	<b>X</b>	Improve Hawai'i's Small Business Environment
<b>Emerging Industries:</b> Does your program impact Hawai'i's emerging industries?		Yes <input type="checkbox"/> No <input type="checkbox"/>

**V. APPROVALS**

	<b>Wayne Thom, CED Manager</b>	
		<b>8/5/08</b>
<b>a.</b> Submitted by - Print Name	Submitted by - Signature	Date
<b>b.</b> <input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED	Division/Agency Head - Signature	Date
<b>c.</b> <input type="checkbox"/> APPROVED <input type="checkbox"/> DISAPPROVED	Director - Signature	Date