

County turning its back on business

THE CHAMBER VIEW

by Pamela Tumpap



With a slumping economy, escalating costs, tightening of spending belts, hurting businesses

(particularly small businesses), work-force reductions and looming layoffs, businesses are asking if Maui County government has turned a blind eye to and forgotten their plight.

Instead of seeing proactive plans to support the business sector, businesspeople are growing increasingly frustrated with actions that are stinging and closing firms. Businesspeople are questioning whether our county government fully understands what the business sector means to our economy, employment and residents, and comprehends the cumulative effect of recent actions. And, some wonder, is Maui County trying to outpace the state as an "unfriendly place to do business."

Recently, Maui Chamber of Commerce members attended a forum in Honolulu titled "Surviving Turbulent Economic Times." Several speakers talked about the difficulties posed by rising oil prices, the mortgage crisis, economic challenges across the nation (as well as at home), perceived reductions in wealth, a weaker dollar, a state of flux with the presidential election, and more, and how these problems are impacting Hawaii's visitor, hotel, airline, real estate and mortgage industries.

These collective matters were noted as having created the "perfect economic storm." While the speakers were looking positively at ways to survive these turbulent times, the outlook was still grim and they noted that tougher choices lay ahead. The forum was geared to an Oahu audience, and we heard how these concerns are impacting Oahu businesses. The impact isn't much different for Maui businesses, except that our higher hotel room rates were noted as a bright spot.

Hardships are common throughout the state, with some island variations, but all businesses are affected, either directly or indirectly through a trickle-down effect. However, as we listened and talked with participants afterward, nobody mentioned business distress caused by county government. We wondered how magnified their level of concern would be if they

faced the county-level trials that have been heaped on Maui businesses.

Not all of our legislative suffering comes from the county, since the state is addressing beach park use. Nevertheless, reports of harm to local businesses are heard daily, in and out of the newspaper. Unrest in the business community is growing.

A year ago businesses were expanding, desperate to find good employees. Now, many are struggling to survive and having to lay off good workers. Stories of revenue losses are mounting. Business are looking to the county to help restore Maui's business-sector health.

Hence, we say again, this is not the time to be shutting down transient-vacation rentals (TVRs) and adding further legislation and costs on businesses. It is time for both sides of our county government — our legislative and administrative branches — to make significant progress in rebuilding our economy. Each has an important role in our economic recovery and should focus on solid planning and advancement of areas they can affect.

Businesses deserve to know:

- What immediate steps are

the mayor and her administration taking to reduce burdens in these challenging times?

- What short-term answers will be implemented over the next two years, and what long-term solutions are being put into place to strengthen and diversify our economy in the future?

- What are council members doing to counter legislation that negatively impacts businesses?

- And, will council members step up and swiftly address concerns?

Suggestions for the county include the following actions:

- Adopt legislation to allow appropriate TVRs to bring the associated revenue back to Maui.

- Allow appropriate home-based businesses that do not negatively impact neighborhoods to a serious degree.

- Institute reasonable legislation to allow commercial use of our county beach parks, while taking measures to protect our natural resources.

- Revise the Residential Workforce Housing bill to fast-track affordable-housing and rentals development while putting the rules and regulations in place in the required time frame.

- Get the First Time Home

Buyers program on track to help residents obtain homes.

- Obtain an accurate assessment of our water resources and availability for appropriate growth planning, and revise legislation that essentially provides a moratorium.

- Increase support for the visitor industry.

- Augment support for agriculture and locally made products.

- Move forward with economic diversification, including in the areas of agri-tourism, alternative energy, health care, etc.

We need strong leadership now! This year, tax revenues will drop. Yet, county government has grown; much of our infrastructure needs repair and expansion; we have a high unfunded retirement debt looming; and in a flagging economy, with people stressed and losing their jobs, social services need to expand.

So, how does the county intend to address these matters? Let's get an answer to that question from the administration and every candidate for office this year.

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