

COUNCIL OF THE COUNTY OF MAUI
PLANNING COMMITTEE

September 7, 2007

Committee
Report No.

_____ 07-96

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Planning Committee, having met on August 14, 2007, makes reference to County Communication No. 07-34, from the Council Chair, transmitting the following:

1. A draft bill entitled "A BILL FOR AN ORDINANCE TO PROHIBIT 'SUPERSTORES' IN MAUI COUNTY". The purpose of the draft bill is to preserve and protect the quality of life, natural beauty, and character of Maui County's island communities from adverse impacts caused by large "superstores" that were not envisioned or considered under current provisions of the Maui County Code.
2. A draft resolution entitled "REFERRING A BILL PERTAINING TO 'SUPERSTORES' TO THE LANAI, MAUI, AND MOLOKAI PLANNING COMMISSIONS". The purpose of the draft resolution is to refer the draft bill to the planning commissions, pursuant to Sections 8-8.4 and 8-8.6 of the Revised Charter of the County of Maui (1983), as amended.

Your Committee notes that "superstores"—defined as "a business exceeding 90,000 gross square feet, offering for sale more than 25,000 different stockkeeping units, and dedicating more than 20,000 gross square feet of floor area to the sale of groceries"—would be prohibited by the draft bill. Your Committee further notes that the draft bill identifies the following adverse impacts of superstores: "traffic congestion, overburdening of existing infrastructure, deterioration of fragile ecosystems, and decimation of small businesses".

By correspondence dated August 10, 2007, Paul H. Brewbaker, Ph.D., Senior Vice President and Chief Economist, Bank of Hawaii, opined that the draft bill would not achieve its stated purpose and that there are more appropriate and effective means of mitigating any negative impacts of superstores. Dr. Brewbaker characterized the legislation as protectionist and inefficient.

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By correspondence dated August 12, 2007, Craig Nishida expressed support for the draft resolution, contending that superstores cause traffic problems and hurt small businesses.

By correspondence dated August 13, 2007, the Chair of your Committee transmitted a copy of Kauai County Ordinance No. 849, to prohibit superstores. Your Committee notes that Ordinance No. 849 became effective on May 25, 2007.

Your Committee received the following reference materials from Sonia Isotov King, Library Director, Hawaii Business Research Library, on August 13, 2007:

- A report entitled “Key Studies on Big-Box Retail” (2007), from the Institute for Local Self-Reliance, also available on the organization’s website at <http://www.bigboxtoolkit.com/images/pdf/keystudies.pdf>
- A report entitled “‘BIG BOX’ RETAILING” (2003), from the State of Hawaii Legislative Reference Bureau, also available on the agency’s website at <http://hawaii.gov/lrb/rpts03/bbox.pdf>
- A report entitled “‘Big-Box’ Retail Development” (2001), from the State of Maryland, Department of Planning, also available on the agency’s website at www.mdp.state.md.us/mgs/bigbox/bigbox_v3.pdf
- A report entitled “The Impact of Big Box Grocers on Southern California: Jobs, Wages, and Municipal Finances” (1999), from the Orange County Business Council, also available at http://www.coalitionlc.org/big_box_study.pdf
- A “Mindmap” (chart and outline) on superstores-related policy issues, prepared by Ms. King for your Committee.

By correspondence dated August 13, 2007, the Chair of your Committee transmitted a *Maui Time Weekly* article, dated August 9, 2007, by Rob Parsons, entitled “Corporate Alien Invaders”.

At its meeting, your Committee met with the Administrative Planning Officer, Department of Planning; and a Deputy Corporation Counsel.

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Your Committee received testimony in support of the draft resolution from four people. The testifiers in support of the draft resolution raised concerns about environmental and economic impacts of superstores.

Your Committee also received testimony in opposition to the draft resolution from two people, on behalf of Wal-Mart and the Maui Chamber of Commerce, respectively. The Wal-Mart representative said that superstores can provide employment and business opportunities for local residents. The Maui Chamber of Commerce representative suggested that the draft bill's objectives could be more appropriately achieved through implementation of "smart growth" principles.

In addition, your Committee received written testimony in support of the draft resolution from William Kennison, Division Director, International Longshore & Warehouse Union Local 142. He contended that superstores often do not provide decent wages and employee benefits.

Your Committee also received written testimony in opposition to the draft resolution from Pamela Tumpap, President, Maui Chamber of Commerce. She contended that appropriate land use planning could mitigate negative impacts of superstores and would be preferable to a prohibition of superstores, particularly for consumers.

Your Committee also received anonymous written testimony in opposition to the draft resolution.

Your Committee reviewed the draft bill attached to the draft resolution.

Your Committee noted that legislation to prohibit superstores had also been introduced in the other three county councils in Hawaii and that the Kauai County Council had enacted Ordinance No. 849. The Administrative Planning Officer advised that the Kauai County legislation had a more appropriate format than the draft bill attached to the draft resolution.

Your Committee discussed the testimony and research materials that had been presented. Your Committee noted that economic experts had divergent views on the impacts of superstores. Your Committee further noted that the Council's duty is to act in the best interests of Maui County's residents, even if action is characterized as protectionist.

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While recognizing the importance of ensuring that Maui County's residents have an array of affordable retail options, your Committee also recognized that it is worthwhile "to preserve and protect the quality of life, natural beauty, and character of Maui County's island communities", as stated in the draft bill.

Your Committee concluded that it would be advisable to receive the guidance of the planning commissions on the important policy question of whether to prohibit superstores in Maui County. In addition, to ensure an appropriately broad perspective on the myriad of issues raised by the legislation, your Committee voted to revise the draft resolution to refer the draft bill to the Hana Advisory Committee and the Maui County Cultural Resources Committee for review and comment. Furthermore, for the reviewing bodies' background information, your Committee voted to additionally revise the draft resolution to transmit copies of the similar legislation introduced in the other Hawaii counties.

Your Committee voted to recommend adoption of the draft resolution, as revised.

Your Committee is in receipt of a proposed resolution reflecting your Committee's revisions.

Your Planning Committee **RECOMMENDS** that Resolution No. _____, as revised herein and attached hereto, entitled "REFERRING A BILL PERTAINING TO 'SUPERSTORES' TO THE LANAI, MAUI, AND MOLOKAI PLANNING COMMISSIONS, THE MAUI COUNTY CULTURAL RESOURCES COMMISSION, AND THE HANA ADVISORY COMMITTEE", be **ADOPTED**.

Adoption of this report is respectfully requested.

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GLADYS C. BAISA **Chair**

BILL KAUAKEA MEDEIROS **Member**

JO ANNE JOHNSON **Vice-Chair**

MICHAEL J. MOLINA **Member**

G. RIKI HOKAMA **Member**