

COUNCIL OF THE COUNTY OF MAUI  
**ENERGY AND ECONOMIC  
DEVELOPMENT COMMITTEE**

December 15, 2003

Committee  
Report No.

03-157

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

Chair and Members:

Your Energy and Economic Development Committee, having met on November 17, 2003 and December 1, 2003, makes reference to County Communication No. 03-251, from the Economic Development Coordinator and the Small Business Advocate, providing an update on the establishment of a Maui County Business Resource Center (MCBRC) at the Maui Mall Shopping Center in Kahului.

By correspondence dated October 17, 2003, the Council Chair transmitted correspondence dated October 9, 2003, from the Mayor, transmitting a proposed resolution entitled "AUTHORIZING GRANTS OF LICENSE AGREEMENTS TO VARIOUS ENTITIES FOR THE MAUI COUNTY BUSINESS RESOURCE CENTER". The purpose of the proposed resolution is to grant license agreements to the following 17 business assistance entities (entities) to use and occupy the MCBRC to provide free assistance to the public in starting and operating a business:

1. MEO Business Development Corporation
2. Hawaii Women's Business Center
3. University of Hawaii (Small Business Development Center)
4. University of Hawaii (Hawaii Business Research Library)
5. University of Hawaii (Hawaii Family Business Center)
6. Alu Like, Inc.
7. Maui Community College (Center for Entrepreneurship)
8. State of Hawaii, Department of Labor and Industrial Relations, Workforce Development Division (WorkSource Maui)
9. State of Hawaii, Department of Commerce and Consumer Affairs
10. Hawaii Community Loan Fund
11. U.S. Small Business Administration
12. Lokahi Pacific
13. Legal Aid Society of Hawaii
14. Maui Economic Development Board, Inc.

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15. Service Core of Retired Executives (SCORE of Hawaii, Inc.)
16. State of Hawaii, Department of Taxation
17. Maui Chamber of Commerce

By correspondence dated November 12, 2003, David B. Fisher, Maui Center Director, Hawaii Small Business Development Center Network, expressed his support for the MCBRC.

By correspondence dated November 13, 2003, Kevin Kimizuka, Maui County Branch Manager, Workforce Development Division, State Department of Labor and Industrial Relations, expressed his division's support for the MCBRC.

By correspondence dated November 14, 2003, Dan Regan, Chief Executive Officer, MEO Business Development Corporation, expressed his organization's support for the MCBRC.

By correspondence dated November 14, 2003, the Chair of your Committee transmitted correspondence dated November 13, 2003, from Beverly A. Cabrera, Executive Director, Hawaii Women's Business Center, expressing her organization's support for the MCBRC.

By correspondence received on November 14, 2003, D.J. Halcro, President, SCORE-Hawaii Chapter, expressed his organization's support for the MCBRC.

By correspondence dated November 14, 2003, Vergel N. Adonis, Small Business Advocate, City and County of Honolulu, expressed his support for the MCBRC.

By correspondence dated November 17, 2003, Manuel C. Menendez III, Executive Director, Office of Economic Development, Office of Waikiki Development, City and County of Honolulu, expressed his Office's support for the MCBRC.

At its meeting of November 17, 2003, your Committee met with the Economic Development Coordinator, the Small Business Advocate of the Office of Economic Development, and a Deputy Corporation Counsel.

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Your Committee received a brief presentation from the Office of Economic Development on the need for the MCBRC. The presentation asserted that the MCBRC will provide a "one-stop shop" for businesses creating a more "attractive business-friendly environment" in Maui County. They noted that the MCBRC would provide new and existing business owners a location to obtain assistance and services from the County, State and nonprofit service partners.

Your Committee received public testimony from seven persons representing organizations in support of establishing a MCBRC.

Your Committee received two written testimonies in support of the MCBRC, and pamphlets and information from Jane A. Sawyer, Assistant District Director, Entrepreneurial Development/Public Information, U.S. Small Business Administration.

The Deputy Corporation Counsel provided a draft license agreement that will be executed between the County of Maui and each licensee, entitled "COUNTY OF MAUI ONE-STOP BUSINESS RESOURCE CENTER LICENSE AGREEMENT". The purpose of the draft license agreement is to allow nonprofit and governmental entities to use and occupy the Maui Mall Shopping Center unit without a fee to provide business resources and information to the public on an intermittent basis.

Your Committee acknowledged general support for the MCBRC, but was concerned about duplication of efforts among the various business assistance entities.

Your Committee expressed concern that the proposed resolution requests the Council to pre-approve license agreements. The Deputy Corporation Counsel stated that it may be premature for the Council to pre-approve license agreements since the lease of the property has not been finalized. He also noted that Council does not have the authority to approve the lease agreement for the Maui Mall Shopping Center space.

Your Committee raised questions regarding the operating costs and funding for the MCBRC. The Economic Development Coordinator stated that the Office of Economic Development has funding available in the Fiscal Year 2004 budget and the licensees will also contribute towards these costs. She further

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noted that this is a pilot project, which may be expanded if proven to be successful.

Your Committee deferred consideration of the matter pending further discussion.

By correspondence dated November 24, 2003, the Mayor transmitted the following:

- A. A revised proposed resolution entitled "AUTHORIZING GRANTS OF LICENSE AGREEMENTS TO VARIOUS ENTITIES FOR THE MAUI COUNTY BUSINESS RESOURCE CENTER". The revised resolution authorizes license agreements to 13 entities, rather than 17 entities authorized in the original resolution.
  
- B. Draft license agreements entitled "COUNTY OF MAUI ONE-STOP BUSINESS RESOURCE CENTER LICENSE AGREEMENT" for the following 13 entities:
  - 1. MEO Business Development Corporation
  - 2. Hawaii Women's Business Center
  - 3. University of Hawaii (Small Business Development Center)
  - 4. University of Hawaii (Hawaii Business Research Library)
  - 5. University of Hawaii (Hawaii Family Business Center)
  - 6. Maui Community College (Center for Entrepreneurship)
  - 7. State of Hawaii, Department of Labor and Industrial Relations, Workforce Development Division (WorkSource Maui)
  - 8. U.S. Small Business Administration
  - 9. Lokahi Pacific
  - 10. Legal Aid Society of Hawaii
  - 11. Maui Economic Development Board, Inc.
  - 12. SCORE of Hawaii, Inc.
  - 13. Maui Chamber of Commerce

By correspondence dated November 25, 2003, the Chair of your Committee requested the Economic Development Coordinator to provide (1) the section of the 1999 Comprehensive Economic Development Strategy Report that

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identified the need for a "Business and Entrepreneur Information Center"; (2) an operating budget for the MCBRC; (3) financial information regarding the City and County of Honolulu's Business Resource Center; (4) a floor plan and the agencies that will occupy office spaces; (5) a list of County positions and resources to be assigned to the MCBRC; and (6) a copy of the proposed lease agreement with A&B Properties, Inc.

By correspondence dated November 25, 2003 and November 28, 2003, Raymond M. Jefferson, Deputy Director, State Department of Business, Economic Development & Tourism, expressed his Department's support for the MCBRC.

By correspondence dated November 28, 2003, the Economic Development Coordinator transmitted the information requested in the correspondence dated November 25, 2003.

By correspondence dated November 28 2003, the Chair of your Committee transmitted correspondence dated November 28, 2003, from the Economic Development Coordinator, transmitting seven license agreements, each entitled "COUNTY OF MAUI ONE-STOP BUSINESS RESOURCE CENTER LICENSE AGREEMENT" for the following entities:

1. Hawaii Women's Business Center
2. MEO Business Development Corporation
3. Lokahi Pacific
4. SCORE of Hawaii, Inc.
5. Maui Chamber of Commerce
6. Maui Economic Development Board, Inc.
7. Hawaii Small Business Development Center Network (Hawaii Business Research Library)

At its meeting of December 1, 2003, your Committee met with the Economic Development Coordinator, the Small Business Advocate of the Office of Economic Development, and a Deputy Corporation Counsel.

Your Committee received public testimony from three persons representing organizations in support of establishing a MCBRC.

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The Chair of your Committee distributed the following documents provided by the Office of Economic Development:

- A. A revised proposed resolution entitled "AUTHORIZING GRANTS OF LICENSE AGREEMENTS TO VARIOUS ENTITIES FOR THE MAUI COUNTY BUSINESS RESOURCE CENTER". The revised resolution authorizes license agreements for the following 14 entities:
1. MEO Business Development Corporation
  2. Hawaii Women's Business Center
  3. University of Hawaii (Small Business Development Center)
  4. University of Hawaii (Hawaii Family Business Center)
  5. Alu Like, Inc.
  6. Maui Community College (Center for Entrepreneurship)
  7. State of Hawaii, Department of Labor and Industrial Relations, Workforce Development Division (WorkSource Maui)
  8. Hawaii Community Loan Fund
  9. Hawaii Small Business Development Center Network, a partnership program between the University of Hawaii at Hilo and the U.S. Small Business Administration
  10. Lokahi Pacific
  11. Legal Aid Society of Hawaii
  12. Maui Economic Development Board, Inc.
  13. SCORE of Hawaii, Inc.
  14. Maui Chamber of Commerce
- B. A license agreement entitled "COUNTY OF MAUI ONE-STOP BUSINESS RESOURCE CENTER LICENSE AGREEMENT" for the Maui Community College (Center for Entrepreneurship).

Your Committee noted that the Maui Chamber of Commerce recognized the need for a business resource center several years ago and supports the MCBRC. Your Committee further noted that the MCBRC is a pilot project that will determine the future of the program.

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Your Committee expressed concerns regarding the broad language in the resolution's second BE IT RESOLVED clause. Your Committee engaged in a lengthy discussion and voted to revise the proposed resolution to identify the location of the MCBRC.

Your Committee requested that the Economic Development Coordinator submit a final copy of the lease agreement with A&B Properties, Inc. prior to the December 15, 2003 Council meeting.

Your Committee voted to recommend adoption of the revised proposed resolution, incorporating your Committee's suggested revisions, and the filing of the communication.

Your Committee is in receipt of the following:

- A. A revised proposed resolution entitled "AUTHORIZING GRANTS OF LICENSE AGREEMENTS TO VARIOUS ENTITIES FOR THE MAUI COUNTY BUSINESS RESOURCE CENTER". The revised proposed resolution authorizes license agreements with 14 entities, and incorporates your Committee's suggested revisions.
  
- B. License agreements entitled "COUNTY OF MAUI ONE-STOP BUSINESS RESOURCE CENTER LICENSE AGREEMENT" for the following entities:
  - 1. MEO Business Development Corporation
  - 2. Hawaii Women's Business Center
  - 3. University of Hawaii (Small Business Development Center)
  - 4. University of Hawaii (Hawaii Family Business Center)
  - 5. Alu Like, Inc.
  - 6. Maui Community College (Center for Entrepreneurship)
  - 7. State of Hawaii, Department of Labor and Industrial Relations, Workforce Development Division (WorkSource Maui)
  - 8. Hawaii Community Loan Fund
  - 9. Hawaii Small Business Development Center Network, a partnership program between the University of Hawaii at Hilo and the U.S. Small Business Administration

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10. Lokahi Pacific
11. Legal Aid Society of Hawaii
12. Maui Economic Development Board, Inc.
13. SCORE of Hawaii, Inc.
14. Maui Chamber of Commerce

Your Energy and Economic Development Committee RECOMMENDS the following:

1. That Resolution No. \_\_\_\_\_, as revised herein and attached hereto, entitled "AUTHORIZING GRANTS OF LICENSE AGREEMENTS TO VARIOUS ENTITIES FOR THE MAUI COUNTY BUSINESS RESOURCE CENTER", be ADOPTED; and
2. That County Communication No. 03-251 be FILED.

Adoption of this report is respectfully requested.



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CHARMAINE TAVARES Chair

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G. RIKI HOKAMA Member

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DANNY A. MATEO Vice-Chair

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DAIN P. KANE Member

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ROBERT CARROLL Member