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RICK BLANGIARDI
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876360

March 29, 2022

The Honorable Calvin Say, Chair
and Members
Committee on Budget
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Say and Councilmembers:

SUBJECT: Budget Communication No. 12
Follow-up Questions from the Committee on Budget's Departmental Briefings

In response to your Council Communication No. 92, dated March 17, 2022, attached are the departmental responses for the Special Committee on Budget being held on March 30, 2022.

Sincerely,

Michael D. Formby
Managing Director

Attachments

**MAYOR'S MESSAGE 46**

**BUD**

DEPARTMENT OF BUDGET AND FISCAL SERVICES
**CITY AND COUNTY OF HONOLULU**
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RICK BLANGIARDI
MAYOR

ANDREW T. KAWANO
DIRECTOR

CARRIE CASTLE
DEPUTY DIRECTOR

March 23, 2022

TO: Michael D. Formby, Managing Director

VIA: Shelli Oye, Budget Programming Administrator
Department of Budget and Fiscal Services

FROM: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

Digitally signed by Kawano, Andy
Date: 2022.03.29 12:32:43 -10'00'

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 17, 2022 for the Department of Budget and Fiscal Services

The following is our agency's response to the questions on the Operating and CIP Budgets received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

**Budget Communication No. 12** **ATTACHMENT**
**Follow-Up Questions from the Committee on Budget's Departmental Briefings**

**Question 1: BFS - ARPA**
**Dept Com 168 (2022) provides a list of positions to be continued even after ARPA funds expire, please provide follow-up details that augment the table in Dept Com 168 (2022) that identifies the future fund source for the listed FTEs and the estimated fiscal year that the future fund source will replace the ARPA funding.**

Answer:
Please see the attached Exhibit A identifying the future fund source for the listed FTEs and estimated fiscal year the fund source will replace ARPA funding.

**Question 2: BFS - CIP**
**What is the justification for using $8,461,859 of general funds in the CIP budget when we only used $200,000 in FY22 and $200,000 in FY21?**

Answer:
The $8,461,859 General Fund in the FY 23 CIP proposed budget includes, as in FY 21 and FY 22 budgets, $200,000 for the DDC Land Expense project (Project No. 1971153) for expenses related to CIP projects (Bill 15, Page 5). Based on the projected level of General Fund revenue, General fund monies were budgeted in the FY 23 CIP budget for the following projects:

- DDC Land Expense project $200,000 (Project No. 1971153) for expenses related to CIP projects (BILL 15, Page 5);
- Art in Public Facilities $193,859 (Project No. 1998611, Bill 15 - page 2);
- Procurement of Major Equipment $3,958,000 (Project No. 1996611, Bill 15 page -2);
- Honolulu Police Department Equipment Acquisition $3,960,000 (Project No. 2005028, Bill 15 – page 7); and
- Pearl City Fire Station Relocation $50,000 (Project No. 2017076, Bill 15 - Page 7).

The use of the General Fund for these projects instead of bond funding will reduce the long-term costs of these equipment purchases by eliminating interest costs that would be associated with bond funding.

**Question 3: BFS - CIP Reductions**

**A) The City's CIP budget was cut by over $600 million from $1.4 billion in FY22 to just over $800 million this year, a 43% decrease. This is still $200M less than pre-pandemic levels. What was the impetus for this significant decrease?**

**B) I see a $319 million decrease in general obligation bond usage. It is my view and that of most economists that government spending reduces the long-**

**term impact of a recession. Why would we want to decrease our CIP spend and bond usage now, especially as we have a 13%, $234 million increase in revenues?**

**C) The last three years we only budgeted $200k in general funds for CIP. This year there is $8.4 million of general funds for CIP. Please provide an explanation.**

Answer:

A) The total Executive FY 22 CIP Proposed Budget, Bill 7 (2021) as submitted to City Council was $1,025,450,405. The Council added $385,496,634 which resulted in a total FY 22 CIP budget of $1,410,947,029 (Ordinance No. 21-21).
The total FY 23 Executive CIP Proposed Budget, Bill 12 (2022) as submitted to the City Council was $801,590,496 which is $223,859,909 less than the FY 22 submission of $1,025,450,405. The difference is primarily due to the FY 22 funding for the Honouliuli Wastewater Treatment Plant (WWTP) Pump Station, Energy Savings, Solids Process Upgrades and Misc. Improvements $291,501,000 (Project No. 2019047, Ord. No. 21-21, page 22).

B) The FY22 CIP budget (Ord. No. 21-21) included $741,925,810 in projects funded by general obligation (G.O.) bonds, of which $383,384,500 was added by the Council. The FY 22 proposed CIP budget submitted by the Administration in Bill 7 (2021) included a total of $358,541,310 funded by G.O. bonds. The Executive FY 23 CIP Budget Bill 15 submission includes $314,060,250 of projects funded by G.O. bonds, reflecting a G.O. bond reduction of $44,481,060 compared to the FY 22 proposed CIP budget. The reduction of the G.O. bond amount is primarily due to the reduction of $53.6 million in Solid Waste Improvement G.O. bonds required for FY 23, compared to the FY 22 Solid Waste Improvement G.O. Bonds of $108,850,000, and the FY 23 General funding of the Procurement of Major Equipment (Project No. 1998602, BILL 15 - page 2) instead of bond funding the equipment. The FY 23 CIP budget in Bill 15 was developed by funding the completion of ongoing projects and by adding projects, based primarily on department priorities, affordability and the Department of Design and Construction staff capacity to implement CIP projects.

C) Based on the projected level of General Fund revenue, a total of $8,461,859 in funding from the General Fund was budgeted in the FY 23 Proposed CIP budget for:

- DDC Land Expense project $200,000 (Project No. 1971153) for expenses related to CIP projects (BILL 15, Page 5);
- Art in Public Facilities $193,859 (Project No. 1998611, Bill 15 - page 2);
- Procurement of Major Equipment $3,958,000 (Project No. 1996611, Bill 15 page -2);
- Honolulu Police Department Equipment Acquisition $3,960,000 (Project No. 2005028, Bill 15 – page 7); and
- Pearl City Fire Station Relocation $50,000 (Project No. 2017076, Bill 15 - Page 7).

The use of the General Fund for equipment acquisition projects instead of bond funding will reduce the long-term costs of the equipment purchases by eliminating interest costs that would be associated with bond funding.

**Question 4: BFS - Collective Bargaining**
**Please provide an overview of the previous financial impact of collective bargaining increases and an estimate, based on historic increases and known context to date, of the additional anticipated costs of collective bargaining.**

Answer:
The financial impact of collective bargaining from the period of July 1, 2017 – June 30, 2021 is estimated to be in excess of $220 million (does not include increases due to EUTF) for all of the labor unions within the City and County of Honolulu. The current collective bargaining cost estimate is unknown at this time since only one Bargaining Unit (BU) has settled and eight (8) remain pending and are either scheduled or are in the process of being scheduled to enter into binding arbitration. It is too premature to project and budget these cost as binding arbitration is confidential and each settlement differs from the next. Collective bargaining cost ranges from across the board (ATB) increases, step movements, premium pays, one-time lump sum payments, Employer's EUTF contributions. Please note to date, the only bargaining unit to have settled is Bargaining Unit 1 (BU 1), the United Public Workers (UPW) Union with a four-year agreement (July 1, 2021- June 30, 2025).

The current financial impact of BU 1's settlement is a salary increase of a one-time retro-active lump sum payment of $1,000 in the collective bargaining agreement (CBA) to all employees in Fiscal Year (FY) 2022. The salary increase of 3.72% is scheduled in FY 2023, followed by 5% increases in FY 2024 and FY 2025.

**Question 5: BFS - Debt Ratio (Resolution 06-222)**

- **Please provide the FY 23 debt service ratios to determine compliance with Reso 06-222, specifically III.G.1 and III.G.2.**
- **Please clarify whether HART debt service is included in the above two debt service ratios calculations.**

Answer:
III.G.1
The affordability guideline in Resolution 06-222, Section III.G.1. states, "Debt service for general obligation (G.O.) bonds including self-supported bonds as a percentage of the City's total operating budget, including enterprise and special revenue funds, should not exceed 20 percent."

This ratio is 27.5 percent for FY 2023 according to the amounts in Bill 14 (2022). This is higher than the 20 percent ratio in the affordability guidelines, however, please note the following:

- Total General funded debt service includes HART debt service, but the ratio is calculated by comparing total debt service to the City's total operating budget, which does not include HART. HART is a semi-autonomous agency with its own sources of revenues that is responsible for paying the debt service related to the rail transit project. This situation is unusual, and ratio does not account for the resources and responsibility of HART for its debt service.

- Proposed amendments to Bill 14 (2022) were sent by the Administration to decrease the debt service appropriation due to a decrease in HART budgeted debt service of $138.1 million. If this amendment to Bill 14 (2022) is approved, the affordability ratio would be 22.3 percent.

- We plan to update the financial capacity analysis study that was done prior to the establishment of the affordability guidelines in Resolution 06-222, to determine whether the affordability guidelines should be amended.

III.G.2
The affordability guideline in Resolution 06-222, III.G.2. states "Debt service on direct debt, excluding self-supported bonds, as a percentage of General Fund revenues should not exceed 20 percent."

The ratio is 7.8 percent for FY 2023. This ratio does not include debt service that is reimbursed to the General Fund and therefore does not include HART debt service.

**Question 6: BFS - Enterprise Resource Planning (ERP) Upgrade**
**Please provide an overview of the ERP system upgrade.**
**What are the specific goals and objectives of the system upgrade?**
**In what ways will the new system improve reporting and transparency?**
**What is the total cost of the ERP system upgrade? How much will be paid for with ARPA and how much general funds?**

Answer:
The City's Enterprise Resource Planning (ERP) System is being upgraded to a new version that provides an enhanced user experience and the latest cloud technology. The current separate applications of Financials, Human Resource Management/Payroll and Budgeting will be merged into a single platform. The upgrade includes plans to implement previously unused features in modules like Accounts Receivables, Organization Charting, and Timekeeping. The software includes embedded analytics for enhanced configuration capabilities on the application pages, dashboards, and a powerful tool for custom reports. Under a new model of version control, the Advantage product will be maintained in a quarterly cadence of patch-set releases with new functionality. Major upgrades costing many hours of consultants' and City employees' time will no longer be needed.

One of the objectives of this upgrade is to move the ERP to the latest cloud technology. This will increase accessibility as well as enhance cyber security for the ERP. Version 4.x is the current version of the software and the City cannot risk using a version that will eventually be unsupported by the vendor and unsupportable by other options. The risks from using unsupported software include cyber security vulnerability, incompatibility with ancillary software such as databases, lack of support for current tax and employment laws, and inability to run on current hardware architecture. One of the features of the 4.x release that we'd like to make good use of is extensibility or the ability to configure our City's needs versus having to pay for expensive vendor code customizations. With the unified Chart of Accounts, financials, budget, and HR/payroll will all be in one consolidated application that gives access to the different functional areas though role assignments. The Upgrade will also implement proper segregation of duties amongst City's users by assigning business roles which will fulfill Audit findings. Greater accessibility to report analytics is also one of the goals of this upgrade.

The upgrade includes the powerful reporting tool PowerBI. PowerBI will allow the development of more analytical reporting on the City's financial, budget, human resources, and payroll data. These reports can be more accessible to the City's administration and managers through a report portal as well as on customized dashboards.

The functional and technical CGI support for the upgrade is an initiative in the FY22 and FY23 Annual Planning Documents (APD). All initiatives that are identified to be worked on

are covered by Year 3 (FY22) Business Process Outsourcing (BPO) support services which the City is scheduled to pay $3,782,831 and Year 4 (FY23) BPO support services which the City is scheduled to pay $3,866,668. The Master Agreement payment schedule is part of MA-DIT-1900144 Amendment #2.

What isn't covered is the infrastructure that has to be stood up to host the Advantage 4.x environments. The Independent Cost Estimate (ICE) for the server hardware and server related license and software is $900,000.

The entire cost of the server hardware and server related license and software (ICE estimate of $900,000) will be paid for using SLFRF funding. The SLFRF request has already been approved. Years 3-4 of the CGI 10 year Master Agreement includes functional support and annual maintenance including licensing for the 4.x upgrade. A portion of the functional support for the 4.x upgrade may be ARPA-State and Local Fiscal Recovery Funds funded, subject to review and approval of the Administration's Federal Awards Committee.

**Question 7: BFS - ERS**
**How much did ERS not pay for retirement due to "spiking?" And how can ERS say that the employees like our first responders were actually spiking when they were responding to a pandemic? As an example, HFD normally covers firefighters who are out by firefighters from other stations. Since they live together, and because we did not have a vaccine for the first year of the pandemic, HFD had to restrict coverage to only firefighters at the same station in order to keep their first responders and the public safe. Did ERS consider all HFD overtime "spiking?"**

Answer:
Regarding the question of how much ERS did not pay for retirement due to "spiking," the amount would be the amount billed to the counties for spiking. For the City, the amount that ERS billed to the City for payment in FY 2023 is $39.6 million.

The spiking calculation is based on a formula in Hawaii Revised Statutes (HRS) Chapter 88, which was established by part II, section 5 of Act 153 (2012). The formula compares the level of non-base pay and base pay during certain periods, and defines the amounts that exceed defined limits as spiking. The formula does not take into account the purpose of the non-base pay. When proposing the charges for spiking, ERS said that the changes were needed because overtime and other base pay increases during the period used to calculate retirement benefits, inflates a person's retirement benefit which could lead to underfunding of the plan.

**Question 8: BFS - ERS Employer Contribution**
**Please identify the City departments that reported excessive overtime pay which caused the "pension spiking" as stated in pg A-2 in Volume 1 of Mayor's Message 33 (2022). When identifying the relevant City department, please also specify the relevant budget activity and the specific ERS Employer Contribution FY 23 appropriation amount attributable to each budget activity. Please confirm that amounts expended attributable to "pension spiking" are funded from the "Retirement System Contribution—Employer's Share" provisional rather than taken from salaries or current expenses savings in individual department budgets.**

Answer:
The city departments, budget activity/division where the employees worked before retiring, and amounts billed to the City by ERS for "spiking" by employees who retired, are shown in the table on the next page, for the $39.6 million that the City must pay to ERS in FY 2023. The amounts paid to ERS for "spiking" are paid from the "Retirement System Contribution—Employer's Share" appropriation in the Miscellaneous function of the executive operating budget.

Note that the amount for HART will be reimbursed to the City by HART. Also, please note that ERS charges the spiking to the last employer of the retiree, regardless of when the spiking occurred. Similarly, the departments listed are the last employers of the retirees, and do not necessarily reflect the department where the spiking occurred.

**Budget Communication No. 12** **ATTACHMENT**
**Follow-Up Questions from the Committee on Budget's Departmental Briefings**

| Department | Budget Activity/Division | Amount |
|---|---|---|
| CSD | Motor Vehicles Licensing and Permits | $77,112 |
| DES | Honolulu Zoo | $115,843 |
| DFM | Automotive Equipment Services | $441,363 |
| | Public Building and Electrical Maintenance | $114,161 |
| | Road Maintenance | $1,091,547 |
| DIT | Applications ERP and CSR | $91,655 |
| | Communications and Network | $8,372 |
| DPP | Administration | $385,827 |
| | Building | $208,078 |
| | Site Development | $153,071 |
| DPR | Parks Maintenance and Recreation Services | $221,041 |
| DTS | Transportation Technology | $539,271 |
| ENV | Collection System Maintenance | $349,183 |
| | Refuse Collection and Disposal | $1,288,841 |
| | Wastewater Engineering and Construction | $116,961 |
| | Treatment and Disposal | $269,037 |
| | Environmental Quality | $10,083 |
| ESD | Ocean Safety | $216,594 |
| | Emergency Medical Services | $427,667 |
| HFD | Administration | $212,839 |
| | Fire Operations | $6,862,418 |
| | Planning and Development | $2,446,612 |
| HPD | Administrative Services | $569,797 |
| | Patrol | $18,560,419 |
| | Investigations | $3,264,554 |
| | Special Field Operations | $347,217 |
| | Support Services | $1,007,191 |
| HRT | Senior Management Engineering and Construction | $84,862 |
| MAY | Administration | $68,679 |
| Not available | Department and division information not available | $75,963 |
| | | |
| | TOTAL | $39,626,258 |

**Question 9: BFS - FTEs**
**Please provide a brief description of how the City determines which FTEs in a budget activity will be deactivated, funded but vacant, unfunded but remains a budgeted FTE, or abolished. Please define the terms "deactivated" and "abolished."**

Answer:
A description of full-time equivalent (FTE) positions in a budget activity includes:

- **Deactivated**: In FY2023, the City continues the practice of deactivated positions. In reviewing the number of vacancies, hiring patterns and attrition, identified positions are "deactivated" in order to right size City government. The "deactivated" positions exists in the departmental organizational structure but the FTEs are not authorized in the Operating Budget.

- **Funded but Vacant**: To avoid any delay or disruption to public safety agencies, uniformed vacancies are funded in the agency salary budgets for the Honolulu Emergency Services Department, Honolulu Fire Department and Honolulu Police Department. Special funded and Grant funded vacancies are also budgeted in the agency salary budgets.

- **Unfunded but remains a budgeted FTE**: All positions in the proposed FY2023 Operating Budget are funded in the agency budgets or the Provision for Vacant Positions.

- **Abolished**: Abolished positions are not included in a budget activity. A position is "abolished" and removed from the position inventory when the duties are no longer required or deemed necessary.

**Question 10: BFS - Mass transit**
**In the administrative overview, the operating and CIP pie charts show a slice for Mass Transit. We would like to request breakdown separating rail financing from the rest of the City's mass transit financing.**

Answer:
For the FY23 Operating Budget – Mass Transit

Mass Transit Total (DTS Admin, Perform. & Develop, Mobility) = $394,413,856

RAIL = $ 96,536,271

Mass Transit (without RAIL) =$297,877,585

**Question 11: BFS - OPEB**
**Please breakdown how the "Provision for Other Post-Employment Benefits and Multimodal Transportation System" in the FY22 budget was spent. Please include line items and descriptions.**

Answer:
The entire budgeted amount will be used to fund 100% of the ARC for OPEB for FY 2022.

**Question 12: BFS - Provision for Salary Adjustments and Accrued Vacation Pay; Provision for Vacant Positions**
**How many collective bargaining unit increases are included in the FY 23 appropriation request? If not all collective bargaining units are included in these two provision accounts, please identify the budget activity and the amount where the remaining collective bargaining increases are budgeted for FY 23?**

Answer:
The FY23 appropriation for the Provision for Salary Adjustments and Accrued Vacation Pay is to cover vacation payouts, other salary increases (eg. subject to salary commission-appointed/exempt), and collective bargaining. The amount included in the Salary Adjustment and Accrued Vacation Pay Provisional is a placeholder for these unknown but anticipated cost. Should additional funds be needed to cover collective bargaining beyond the Salary Adjustment Provisional, the PVP would also be considered to cover the cost.

**Question 13: BFS – Provision for Vacant Positions**

- **How is the FY 23 Provision for Vacant Positions appropriation request determined? How many total vacant FTEs are intended to be filled in the FY 23 PVP request? Please provide an aggregate number for each budget activity and categorize by individual fund source.**
- **Are any collective bargaining increases included in this provisional for FY 23? If yes, please provide the ascribed amount and the number of collective bargaining units included**.

Answer:
Please see Exhibit B - FY 2023 Provision for Vacation Positions for the aggregate number of vacant positions by budget activity and fund source. Collective bargaining increases are not included in the Provision for Vacant Positions (PVP).

**Question 14: BFS – RPT Appeals**
**When will RPAD start holding meetings on RPT appeals in person? Our current appeals process for homes valued at less than $1.5 million only closed 55% of the appeals since RPAD could not meet in person.**

Answer:
RPAD will consult with the Board of Review and their Deputy Corporation Counsel to coordinate a transition back to in-person hearings. Initial feedback from the majority of the board members was a strong preference for the continuation of virtual hearings because of the convenience and health concerns. However, by moving Kapolei appeal hearings to Mondays, hearings may now be held five days per week when needed. This will help the Division improve the appeal completion rate.

**Question 15: BFS – Statement of Revenues and Surplus**
**Please provide additional information regarding the decrease to $1,122,000 in the revenue line item "Investments-Pool" from $8,547,000. This is the second year that this revenue line item has been estimated to reduce significantly over the preceding fiscal year.**

Answer:
The estimated FY 2023 revenue from "Investments-Pool" is based on the overall decrease in interest rates on investments that the City has experienced over the past few fiscal years.

**Question 16: BFS – Treasury**

**A) How many total FTEs are estimated to be required for the full operations of the new TAT Collections Section within Treasury?**

**B) 8.0 FTEs are proposed to be added in FY 23 Exec Op Bud, but only 4.0 FTEs are requesting funding to hire contract positions (see page A-1 of the Budget Issues document). What fiscal year is the City planning to request funding for the remaining 4.0 FTEs? Is the long-term plan to convert the 4.0 contract positions into permanent civil service positions? If yes, what fiscal year is that anticipated? What is the hiring strategy for this new section?**

**C) What is the estimated total annual cost for the full operations of the new TAT Collections Section?**

Answer:

A) We anticipate that four (4) FTEs will be needed for the full operations of the new section. Since we have not selected the full service Administration and Collection

Software vendor or completed a full collection cycle with the software solution, additional staff may be needed.

B) We anticipate that we will need 4.0 FTEs for full operations of the new TAT section. The 4.0 unfunded FTEs are included in the FY23 budget as placeholders to allow us to convert the 4.0 FTE personal services contract positions to 4.0 FTE civil service positions. The long-term plan is to budget and have 4.0 civil service FTEs in the new Section in FY24. We will hire permanent civil service employees following the standard City hiring process.

C) The FY 23 estimated total annual cost for the full operations of the new TAT section is currently at $923,084 which includes the cost to staff the new section with 4 FTEs, estimated at $277,884. The total $923,084 is our best estimate at this time, however, since we have not selected the full service Administration and Collection Software vendor or completed a full collection cycle with the software solution, this estimate for FY23 may change.

**Question 17: BFS – Treasury (OC 3004)**
**Please provide greater detail re: new FY 23 requested add of $300,000 for a consultant. When will BFS go out for the RFP for this contract? When will this program commence? Please define the term "idle cash". What is the City's current activity with the City's "idle cash?" Please provide an example of a similar consultant program for similar-sized municipal jurisdictions. Please provide an estimated schedule by fiscal year of ROI for this initial appropriation of $300,000. Please estimate (if any) the annual requested appropriation will be for FY 2024 through FY 2028 if this interest earning program is continued.**

Answer:
The $300,000 will allow us to obtain financial investment software/services that will help increase revenues by more effectively investing the City's idle cash (cash that is available in the City's bank account) by use of the consultant's software algorithms, and considering the City's investment objectives and applicable laws and regulations.

The definition of "idle cash" would include cash in bank and allowable money market and short term investments that have matured, cashed and placed in the bank account for short periods of time until reinvested. The investment software/services referred to above minimizes idle cash balances by providing investment recommendations to BFS Treasury staff to sell and buy securities in a manner that anticipates security call and maturity dates and recommends allowable investments to optimize returns or earnings.

If the appropriation is approved by City Council, BFS will commence the competitive procurement process, targeting vendor selection by September 30, 2022. By November 15, 2022, the City should have the program in place and operational with appropriate Treasury staff trained. The vendor will provide support services to guide City's team throughout the year.

Using hypothetical data from the State's return on investment for a similar service, we anticipate that we can earn approximately 50 basis points (or 0.5%) of additional income on our investment under this program. An investment of $500 million would earn as much as $2.5 million dollars per annum.

A hypothetical projection of the continuous appropriation and incremental investment is as follows:

| | FY2023 | FY2024 | FY2025 | FY2026 |
|---|---|---|---|---|
| Appropriation for Investment Software/Services | $300K | $250K | $250K | $250K |
| Incremental Investment Returns | $1,250K* | $2,500K | $2,500K | $2,500K |
| *Notes: K = Thousands*<br>**1st year reflects half year of earnings* | | | | |

**Question 18: BFS – Treasury (OC 3049)**
**Please provide details regarding the $65,000 in CE earmarked for "Other Miscellaneous Expenses for TAT"**

Answer:
The $65,000 includes contingency for any new, unexpected/undetermined additional expenses, which may be required to stand up this new TAT section in the Treasury Division. The TAT section, currently consisting of two (2) FTEs, is temporarily occupying workspace in the Internal Control Division. A permanent location is being sought as we fill the remaining two (2) vacant positions, bringing the team to a total of four (4) FTEs. Once a permanent location is determined, we anticipate having additional costs associated with rent, office equipment, furniture, renovation/buildout expenses, etc. necessary for a functional and efficient workspace.

Given the importance of this new section's responsibility for the TAT revenue program which is estimated at $86 million annually, we need to ensure we have any and all expenses properly budgeted.

**Question 19: BFS – Vacant Positions**

- **Please provide the change from FY 22 to FY 23 in vacant FTEs by department and budget activity. Please provide both the number of FTEs and the percentage change from FY 22 to FY 23.**
- **Please provide a separate table for "Uniformed Positions" vacant FTEs.**

Answer:
Please see the attached Exhibit C for the table of vacant FTEs by department and budget activity, and Exhibit D for the table for Uniformed Positions vacant FTEs.

**Question 20: BFS/HART – Bond Settling**
**Page 13 Dept. Comm. 169 shows a breakdown of the bond authorizations for HART, totaling approx. $7.5 billion. What is the plan to settle these debt obligations?**

Answer:
Please refer to HART's response (dated March 28, 2022).

ONLY INCLUDE POSITIONS TO BE CONTINUED ONCE ARPA EXPIRES

TMENT:

| g-Appropriation | FTE | P/T/C | Pos. No. | Position Title | Salary Grade | Base Salary | Total Salary | Fiscal Year | Fund source | Confirm Sal. $Amount | Fringe | Total | Comments |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | Cost of ARPA to Perm Status | | | | | |
| reasury | 1.0 | C | N/A | TAT Administrator | SR26 | $ 88,464 | $ 88,464 | 2023 | GN | $ 88,464 | $47,656 | $ 136,120 | |
| reasury | 1.0 | C | N/A | Senior Account Clerk | SR13 | $ 50,016 | $ 50,016 | 2023 | GN | $ 50,016 | $26,944 | $ 76,960 | |
| reasury | 1.0 | C | N/A | Accountant IV | SR22 | $ 67,200 | $ 67,200 | 2023 | GN | $ 67,200 | $36,201 | $ 103,401 | |
| reasury | 1.0 | C | N/A | Accountant V | SR24 | $ 75,588 | $ 75,588 | 2023 | GN | $ 75,588 | $40,719 | $ 116,307 | |
| nternal Control | 1.0 | C | N/A | Grants Administrator | EM5 | $ 120,000 | $120,000 | 2024 | GN | $ 120,000 | $64,644 | $ 184,644 | |
| nternal Control | 1.0 | C | N/A | Grants Specialist | SR24 | $ 78,612 | $ 78,612 | 2024 | GN | $ 78,612 | $42,348 | $ 120,960 | |
| nternal Control | 1.0 | C | N/A | Grants Specialist | SR24 | $ 78,612 | $ 78,612 | 2024 | GN | $ 78,612 | $42,348 | $ 120,960 | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| CORE | 1.0 | | | Comm Serv Specialist Manager | SR-24 | $ 5,385 | $ 43,080 | 2025 | GN | $ 64,620 | $34,811 | $ 99,431 | This will be a transition, |
| CORE | 4.0 | | | Comm Serv Specialist Supervisor | SR-22 | $ 4,600 | $147,200 | 2025 | GN | $ 220,800 | $118,945 | $ 339,745 | FY 24 will be 50% and |
| CORE | 6.0 | | | Comm Serv Specialist I | SR-18 | $ 3,933 | $188,784 | 2025 | GN | $ 283,176 | $152,547 | $ 435,723 | FY 25 will be the |
| CORE | 4.0 | | | Comm Health Worker | SR-12 | $ 3,047 | $ 97,504 | 2025 | GN | $ 146,256 | $78,788 | $ 225,044 | |
| CORE | 12.0 | | | Emerg Medical Technician | AM-03 | $ 4,346 | $417,216 | 2025 | GN | $ 625,824 | $337,131 | $ 962,955 | remaining. |
| | | | | | | | | | | | 53.87% | | |
| 21C-Hbay | 1.0 | P | R1405 | Grounds Keeper | BC02 | 44,292 | $ 44,292 | 2024 | HN | $ 44,292 | $ 23,860 | $ 68,152 | |
| 21C-Hbay | 1.0 | P | R1325 | Park Attendant | SR08 | 33,120 | $ 33,120 | 2024 | HN | $ 33,120 | $ 17,842 | $ 50,962 | |
| 21C-Hbay | 1.0 | P | R0377 | Park Attendant | SR08 | 33,120 | $ 33,120 | 2024 | HN | $ 33,120 | $ 17,842 | $ 50,962 | |
| 21C-Hbay | 1.0 | P | R1592 | Clerk | SR08 | 33,120 | $ 33,120 | 2024 | HN | $ 33,120 | $ 17,842 | $ 50,962 | |
| 21C-Hbay | 1.0 | P | R1595 | Cashier-Clerk | SR08 | 33,120 | $ 33,120 | 2024 | HN | $ 33,120 | $ 17,842 | $ 50,962 | |
| 21C-Hbay | 1.0 | P | R1596 | Cashier-Clerk | SR08 | 33,120 | $ 33,120 | 2024 | HN | $ 33,120 | $ 17,842 | $ 50,962 | |
| 21C-Hbay | 1.0 | P | R1597 | Cashier-Clerk | SR08 | 33,120 | $ 33,120 | 2024 | HN | $ 33,120 | $ 17,842 | $ 50,962 | |
| 21C-Hbay | 0.5 | P | R1604 | Cashier-Clerk | SR08 | 16,560 | $ 16,560 | 2024 | HN | $ 16,560 | $ 8,921 | $ 25,481 | 0.5 FTE |
| 21C-Hbay | 0.2 | P | R1403 | Grounds Keeper | BC02 | 8,858 | $ 8,858 | 2024 | HN | $ 8,858 | $ 4,772 | $ 13,630 | 0.2 FTE |
| 21C-Hbay | 1.0 | P | R0408 | Regional Park Manager | SR24 | 62,136 | $ 62,136 | 2024 | HN | $ 62,136 | $ 33,473 | $ 95,609 | |
| 21C-Hbay | 1.0 | P | R1698 | Senior Clerk | SR10 | 35,196 | $ 35,196 | 2024 | HN | $ 35,196 | $ 18,960 | $ 54,156 | |
| 31C | 1.0 | C | XXXX | Grounds Keeper | BC02 | 44,292 | $ 44,292 | 2024 | GN | $ 44,292 | $ 23,860 | $ 68,152 | |
| 31C | 1.0 | C | XXXX | Grounds Keeper | BC02 | 44,292 | $ 44,292 | 2024 | GN | $ 44,292 | $ 23,860 | $ 68,152 | |
| 31C | 1.0 | C | XXXX | Grounds Keeper | BC02 | 44,292 | $ 44,292 | 2024 | GN | $ 44,292 | $ 23,860 | $ 68,152 | |
| 31C | 1.0 | C | XXXX | Grounds Keeper | BC02 | 44,292 | $ 44,292 | 2024 | GN | $ 44,292 | $ 23,860 | $ 68,152 | |
| 31C | 1.0 | C | XXXX | Grounds Keeper | BC02 | 44,292 | $ 44,292 | 2024 | GN | $ 44,292 | $ 23,860 | $ 68,152 | |
| 31C | 1.0 | C | XXXX | Grounds Keeper | BC02 | 44,292 | $ 44,292 | 2024 | GN | $ 44,292 | $ 23,860 | $ 68,152 | |
| 01C | 1.0 | C | XXXX | Park Attendant | SR08 | 36,000 | $ 36,000 | 2024 | GN | $ 36,000 | $ 19,393 | $ 55,393 | |
| 01C | 1.0 | C | XXXX | Park Attendant | SR08 | 36,000 | $ 36,000 | 2024 | GN | $ 36,000 | $ 19,393 | $ 55,393 | |
| 01C | 1.0 | C | XXXX | Park Attendant | SR08 | 36,000 | $ 36,000 | 2024 | GN | $ 36,000 | $ 19,393 | $ 55,393 | |
| 01C | 1.0 | C | XXXX | Park Attendant | SR08 | 36,000 | $ 36,000 | 2024 | GN | $ 36,000 | $ 19,393 | $ 55,393 | |
| 01C | 1.0 | C | XXXX | Project Manager | SR20 | $ 51,024 | $ 51,024 | 2024 | GN | $ 51,024 | $ 27,487 | $ 78,511 | |

ONLY INCLUDE POSITIONS TO BE CONTINUED ONCE ARPA EXPIRES

TMENT:

| g-Appropriation | FTE | P/T/C | Pos. No. | Position Title | Salary Grade | Base Salary | Total Salary | Cost of ARPA to Perm Status: Fiscal Year | Fund source | Confirm Sal. $Amount | Fringe | Total | Comments |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 30 | 1.0 | C | XXXX | Community Forester I | SR22 | $ 55,200 | $ 55,200 | 2024 | GN | $ 55,200 | $ 29,736 | $ 84,936 | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |

## FY 2023 Provision for Vacant Positions

| Dept. | Budget Activity / Fund Source | Sum of FTE |
|---|---|---|
| **BFS** | | **56.0** |
| | **BFS0300C-Administration** | **1.0** |
| | General Fund | 1.0 |
| | **BFS0310-Accounting and Fiscal Services** | **7.0** |
| | General Fund | 6.0 |
| | Solid Waste Special Fund - General Operating | 1.0 |
| | **BFS0341C-Internal Control** | **4.0** |
| | General Fund | 4.0 |
| | **BFS0361C-Purchasing and General Services** | **7.0** |
| | General Fund | 7.0 |
| | **BFS0371C-Treasury** | **8.0** |
| | General Fund | 8.0 |
| | **BFS0381-Real Property** | **23.0** |
| | General Fund | 23.0 |
| | **BFS1001C-Budgetary Administration** | **4.0** |
| | General Fund | 4.0 |
| | **BFS1005-Fiscal/CIP Administration** | **2.0** |
| | General Fund | 2.0 |
| **COR** | | **11.0** |
| | **COR0500C-Legal Services** | **11.0** |
| | General Fund | 11.0 |
| | **COR0521C-Ethics Commission** | **2.0** |
| | General Fund | 2.0 |
| **CSD** | | **33.0** |
| | **CSD1502C-Administration** | **2.0** |
| | General Fund | 2.0 |
| | **CSD1505-Public Communication** | **2.0** |
| | General Fund | 2.0 |
| | **CSD1516C-Satellite City Hall** | **6.0** |
| | General Fund | 6.0 |
| | **CSD1525-Motor Vehicle, Licensing and Permits** | **23.0** |
| | General Fund | 23.0 |
| **DCS** | | **16.0** |
| | **DCS0120-Administration** | **1.0** |
| | General Fund | 1.0 |
| | **DCS0125-Elderly Affairs** | **7.0** |
| | General Fund | 7.0 |
| | **DCS0121-Office of Grants Management** | **1.0** |
| | General Fund | 1.0 |
| | **DCS3330-Community Assistance** | **4.0** |
| | General Fund | 4.0 |
| | **DCS3340-Community Based Development** | **3.0** |
| | General Fund | 3.0 |
| **DDC** | | **46.0** |
| | **DDC1831-Project and Construction Management** | **38.0** |
| | General Fund | 22.0 |
| | Highway Fund | 16.0 |
| | **DDC2031-Land Services** | **8.0** |
| | General Fund | 8.0 |

| Dept. | Budget Activity / Fund Source | Sum of FTE |
|---|---|---|
| **DEM** | | **2.5** |
| | **DEM0141-Emergency Management Coordination** | **2.5** |
| | General Fund | 2.5 |
| **DES** | | **48.9** |
| | **DES2621C-Honolulu Zoo** | **12.4** |
| | Honolulu Zoo Fund | 12.4 |
| | **DES2681-Golf Courses** | **17.4** |
| | Golf Fund | 17.4 |
| | **DES2911C-Administration** | **3.0** |
| | Special Event Fund | 3.0 |
| | **DES2901-Auditoriums** | **16.0** |
| | Special Event Fund | 16.0 |
| **DFM** | | **260.0** |
| | **DFM1821-Public Building and Electrical Maintenance** | **43.0** |
| | General Fund | 31.0 |
| | Highway Fund | 12.0 |
| | **DFM2001C-Administration** | **27.0** |
| | General Fund | 20.0 |
| | Highway Fund | 7.0 |
| | **DFM2011-Automotive Equipment Services** | **22.0** |
| | General Fund | 22.0 |
| | **DFM2061-Road Maintenance** | **168.0** |
| | General Fund | 16.0 |
| | Highway Fund | 152.0 |
| **DHR** | | **8.0** |
| | **DHR0902C-Administration** | **1.0** |
| | General Fund | 1.0 |
| | **DHR0903C-Employment and Personnel Services** | **5.0** |
| | General Fund | 5.0 |
| | **DHR0907C-Industrial Safety and Workers' Compensation** | **2.0** |
| | General Fund | 2.0 |
| **DIT** | | **25.5** |
| | **DIT0702C-Administration** | **1.0** |
| | General Fund | 1.0 |
| | **DIT0703C-Applications** | **7.5** |
| | General Fund | 7.5 |
| | **DIT0704C-Operations** | **4.0** |
| | General Fund | 4.0 |
| | **DIT0705C-Technical Support** | **3.0** |
| | General Fund | 3.0 |
| | **DIT0706C-ERP-CSR** | **5.0** |
| | General Fund | 5.0 |
| | **DIT0707C-Communications and Network** | **5.0** |
| | General Fund | 5.0 |
| **DLM** | | **15.0** |
| | **DLM0802C-Administration** | **15.0** |
| | General Fund | 15.0 |
| **DPP** | | **75.0** |
| | **DPP1101X-Administration** | **6.0** |
| | General Fund | 6.0 |
| | **DPP1121-Site Development** | **15.0** |
| | General Fund | 1.0 |
| | Highway Fund | 14.0 |

| Dept. | Budget Activity / Fund Source | Sum of FTE |
|---|---|---|
| | **DPP1131-Land Use Permits** | **4.0** |
| | General Fund | 4.0 |
| | **DPP1141C-Planning** | **10.0** |
| | General Fund | 10.0 |
| | **DPP1151-Customer Service** | **19.0** |
| | General Fund | 19.0 |
| | **DPP1810-Building** | **21.0** |
| | General Fund | 21.0 |
| **DPR** | | **142.2** |
| | **DPR2601C-Administration** | **5.5** |
| | General Fund | 5.5 |
| | **DPR2630-Urban Forestry Program** | **25.9** |
| | General Fund | 25.9 |
| | **DPR2651C-Maintenance Support Services** | **14.0** |
| | General Fund | 14.0 |
| | **DPR2721C-Recreation Services** | **28.0** |
| | General Fund | 28.0 |
| | **DPR2781C-Grounds Maintenance** | **68.8** |
| | General Fund | 68.8 |
| **DTS** | | **41.0** |
| | **DTS1600-Administration** | **5.0** |
| | Highway Fund | 1.0 |
| | Transportation Fund | 4.0 |
| | **DTS1611-Transportation Engineering** | **9.0** |
| | Highway Fund | 9.0 |
| | **DTS1621-Transportation Performance & Development** | **5.0** |
| | Highway Fund | 4.0 |
| | Transportation Fund | 1.0 |
| | **DTS1630-Transportation Technology** | **13.0** |
| | Highway Fund | 13.0 |
| | **DTS1669-Transportation Mobility** | **9.0** |
| | Transportation Fund | 9.0 |
| **ENV** | | **56.0** |
| | **ENV2041-Refuse Collection and Disposal** | **56.0** |
| | Solid Waste Special Fund - General Operating | 53.0 |
| | Solid Waste Special Fund - Recycling | 3.0 |
| **ESD** | | **9.3** |
| | **ESD2412C-Emergency Medical Services** | **6.3** |
| | General Fund | 6.3 |
| | **ESD2420C-Health Services** | **3.0** |
| | General Fund | 3.0 |
| **HFD** | | **9.0** |
| | **HFD1402C-Administration** | **3.0** |
| | General Fund | 3.0 |
| | **HFD1405C-Mechanic Shop** | **5.0** |
| | General Fund | 5.0 |
| | **HFD1406C-Training and Research** | **1.0** |
| | General Fund | 1.0 |
| **HPD** | | **177.0** |
| | **HPD1301-Police Commission** | **1.0** |
| | General Fund | 1.0 |
| | **HPD1311-Office of the Chief of Police** | **10.0** |
| | General Fund | 10.0 |

| Dept. | Budget Activity / Fund Source | Sum of FTE |
|---|---|---|
| | **HPD1320-Patrol** | **3.0** |
| | General Fund | 3.0 |
| | **HPD1341-Special Field Operations** | **4.0** |
| | General Fund | 4.0 |
| | **HPD1351-Investigations** | **36.0** |
| | General Fund | 21.0 |
| | Highway Fund | 15.0 |
| | **HPD1361-Support Services** | **106.0** |
| | General Fund | 106.0 |
| | **HPD1371-Administrative Services** | **17.0** |
| | General Fund | 17.0 |
| **MAY** | | **1.0** |
| | **MAY0102-Administration** | **1.0** |
| | General Fund | 1.0 |
| **MDO** | | **6.5** |
| | **MDO0130-City Management** | **5.5** |
| | General Fund | 5.5 |
| | **MDO0175C-Office of Housing** | **1.0** |
| | General Fund | 1.0 |
| **MED** | | **7.0** |
| | **MED1903C-Investigation of Deaths** | **7.0** |
| | General Fund | 7.0 |
| **NCO** | | **1.0** |
| | **NCO0172X-Neighborhood Commission** | **1.0** |
| | General Fund | 1.0 |
| **PAT** | | **28.0** |
| | **PAT0603C-Administration** | **5.0** |
| | General Fund | 5.0 |
| | **PAT0604-Prosecution** | **19.0** |
| | General Fund | 19.0 |
| | **PAT0606-Victim/Witness Assistance** | **4.0** |
| | General Fund | 4.0 |
| **RHB** | | **7.0** |
| | **RHB0180C-Royal Hawaiian Band** | **7.0** |
| | General Fund | 7.0 |
| **Grand Total** | | **1,083.7** |

## Vacant Positions

| Dept. | Budget Activity | FY 2022 | FY 2023 | Change | % Change |
|---|---|---|---|---|---|
| **BFS** | | **82.0** | **90.0** | **8.0** | **10%** |
| | BFS0300C-Administration | 8.0 | 8.0 | 0.0 | 0% |
| | BFS0310-Accounting and Fiscal Services | 11.0 | 10.0 | -1.0 | -9% |
| | BFS0341C-Internal Control | 3.0 | 4.0 | 1.0 | 33% |
| | BFS0361C-Purchasing and General Services | 7.0 | 7.0 | 0.0 | 0% |
| | BFS0371C-Treasury | 6.0 | 8.0 | 2.0 | 33% |
| | BFS0381-Real Property | 19.0 | 23.0 | 4.0 | 21% |
| | BFS1001C-Budgetary Administration | 3.0 | 4.0 | 1.0 | 33% |
| | BFS1005-Fiscal/CIP Administration | 8.0 | 7.0 | -1.0 | -13% |
| | BFS0391C-Liquor Commission | 17.0 | 19.0 | 2.0 | 12% |
| **COR** | | **14.0** | **13.0** | **-1.0** | **-7%** |
| | COR0500C-Legal Services | 11.0 | 11.0 | 0.0 | 0% |
| | COR0521C-Ethics Commission | 3.0 | 2.0 | -1.0 | -33% |
| **CSD** | | **33.0** | **37.0** | **4.0** | **12%** |
| | CSD1502C-Administration | 3.0 | 2.0 | -1.0 | -33% |
| | CSD1505-Public Communication | 3.0 | 2.0 | -1.0 | -33% |
| | CSD1516C-Satellite City Hall | 5.0 | 6.0 | 1.0 | 20% |
| | CSD1525-Motor Vehicle, Licensing and Permits | 22.0 | 27.0 | 5.0 | 23% |
| **DCS** | | **148.5** | **152.5** | **4.0** | **3%** |
| | DCS0120-Administration | 1.0 | 1.0 | 0.0 | 0% |
| | DCS0121-Office of Grants Management | 9.0 | 1.0 | -8.0 | -89% |
| | DCS0122-Oahu Workforce Development Board | 2.0 | - | -2.0 | -100% |
| | DCS0125-Elderly Affairs | 36.5 | 37.5 | 1.0 | 3% |
| | DCS0133-WorkHawaii | 69.0 | 82.0 | 13.0 | 19% |
| | DCS3330-Community Assistance | 23.0 | 23.0 | 0.0 | 0% |
| | DCS3340-Community Based Development | 8.0 | 8.0 | 0.0 | 0% |
| **DDC** | | **41.0** | **47.0** | **6.0** | **15%** |
| | DDC1802C-Administration | 2.0 | - | -2.0 | -100% |
| | DDC1831-Project and Construction Management | 29.0 | 38.0 | 9.0 | 31% |
| | DDC2031-Land Services | 10.0 | 9.0 | -1.0 | -10% |
| **DEM** | | **1.0** | **2.5** | **1.5** | **148%** |
| | DEM0141-Emergency Management Coordination | 1.0 | 2.5 | 1.5 | 148% |
| **DES** | | **43.5** | **48.9** | **5.4** | **12%** |
| | DES2621C-Honolulu Zoo | 11.4 | 12.4 | 1.0 | 9% |
| | DES2681-Golf Courses | 17.0 | 17.4 | 0.4 | 2% |
| | DES2901-Auditoriums | 13.0 | 16.0 | 3.0 | 23% |
| | DES2911C-Administration | 2.0 | 3.0 | 1.0 | 50% |
| **DFM** | | **224.0** | **260.0** | **36.0** | **16%** |
| | DFM1821-Public Building and Electrical Maintenance | 25.0 | 43.0 | 18.0 | 72% |
| | DFM2001C-Administration | 24.0 | 27.0 | 3.0 | 13% |
| | DFM2011-Automotive Equipment Services | 26.0 | 22.0 | -4.0 | -15% |
| | DFM2061-Road Maintenance | 149.0 | 168.0 | 19.0 | 13% |
| **DHR** | | **4.0** | **8.0** | **4.0** | **100%** |
| | DHR0902C-Administration | - | 1.0 | 1.0 | 100% |
| | DHR0903C-Employment and Personnel Services | 4.0 | 5.0 | 1.0 | 25% |
| | DHR0904C-Classification and Pay | - | - | 0.0 | 0% |
| | DHR0907C-Industrial Safety and Workers' Compensation | - | 2.0 | 2.0 | 100% |
| **DIT** | | **22.0** | **28.5** | **6.5** | **30%** |
| | DIT0702C-Administration | 1.0 | 1.0 | 0.0 | 0% |
| | DIT0703C-Applications | 8.0 | 7.5 | -0.5 | -6% |
| | DIT0704C-Operations | 4.0 | 5.0 | 1.0 | 25% |
| | DIT0705C-Technical Support | 1.0 | 3.0 | 2.0 | 200% |
| | DIT0706C-ERP-CSR | 3.0 | 7.0 | 4.0 | 133% |
| | DIT0707C-Communications and Network | 5.0 | 5.0 | 0.0 | 0% |
| **DLM** | | **9.0** | **15.0** | **6.0** | **67%** |
| | DLM0802C-Administration | 9.0 | 15.0 | 6.0 | 67% |
| **DPP** | | **66.0** | **76.0** | **10.0** | **15%** |
| | DPP1101X-Administration | 7.0 | 7.0 | 0.0 | 0% |
| | DPP1121-Site Development | 14.0 | 15.0 | 1.0 | 7% |
| | DPP1131-Land Use Permits | 4.0 | 4.0 | 0.0 | 0% |

| Dept. | Budget Activity | FY 2022 | FY 2023 | Change | % Change |
|---|---|---|---|---|---|
| | DPP1141C-Planning | 5.0 | 10.0 | 5.0 | 100% |
| | DPP1151-Customer Service | 19.0 | 19.0 | 0.0 | 0% |
| | DPP1810-Building | 17.0 | 21.0 | 4.0 | 24% |
| **DPR** | | **138.4** | **155.9** | **17.5** | **13%** |
| | DPR2601C-Administration | 4.5 | 5.5 | 1.0 | 22% |
| | DPR2630-Urban Forestry Program | 31.4 | 25.9 | -5.5 | -18% |
| | DPR2651C-Maintenance Support Services | 13.0 | 14.0 | 1.0 | 8% |
| | DPR2721C-Recreation Services | 24.5 | 39.5 | 15.0 | 61% |
| | DPR2781C-Grounds Maintenance | 65.0 | 71.0 | 6.0 | 9% |
| **DTS** | | **43.0** | **41.0** | **-2.0** | **-5%** |
| | DTS1600-Administration | 6.0 | 5.0 | -1.0 | -17% |
| | DTS1611-Transportation Engineering | 9.0 | 9.0 | 0.0 | 0% |
| | DTS1621-Transportation Performance & Development | - | 5.0 | 5.0 | 100% |
| | DTS1621-Transportation Planning | 5.0 | - | -5.0 | -100% |
| | DTS1630-Transportation Technology | 14.0 | 13.0 | -1.0 | -7% |
| | DTS1669-Transportation Mobility | 9.0 | 9.0 | 0.0 | 0% |
| **ENV** | | **351.0** | **336.0** | **-15.0** | **-4%** |
| | ENV2041-Refuse Collection and Disposal | 59.0 | 57.0 | -2.0 | -3% |
| | ENV2103-Administration | 8.0 | 10.0 | 2.0 | 25% |
| | ENV2110-Environmental Quality | 22.0 | 27.0 | 5.0 | 23% |
| | ENV2114-Collection System Maintenance | 78.0 | 72.0 | -6.0 | -8% |
| | ENV2120-Wastewater Engineering and Construction | 81.0 | 53.0 | -28.0 | -35% |
| | ENV2160-Treatment and Disposal | 103.0 | 117.0 | 14.0 | 14% |
| **ESD** | | **75.5** | **71.3** | **-4.3** | **-6%** |
| | ESD2402C-Administration | - | - | 0.0 | 0% |
| | ESD2412C-Emergency Medical Services | 67.3 | 48.3 | -19.0 | -28% |
| | ESD2420C-Health Services | 4.3 | 3.0 | -1.3 | -29% |
| | ESD2711C-Ocean Safety | 4.0 | 20.0 | 16.0 | 400% |
| **HFD** | | **138.0** | **162.0** | **24.0** | **17%** |
| | HFD1402C-Administration | 4.0 | 7.0 | 3.0 | 75% |
| | HFD1403C-Fire Communication Center | - | 2.0 | 2.0 | 100% |
| | HFD1404C-Fire Prevention | 5.0 | 2.0 | -3.0 | -60% |
| | HFD1405C-Mechanic Shop | 3.0 | 5.0 | 2.0 | 67% |
| | HFD1406C-Training and Research | 3.0 | 4.0 | 1.0 | 33% |
| | HFD1408C-Fire Operations | 123.0 | 140.0 | 17.0 | 14% |
| | HFD1409C-Planning and Development | - | 2.0 | 2.0 | 100% |
| **HPD** | | **522.0** | **561.0** | **39.0** | **7%** |
| | HPD1301-Police Commission | 1.0 | 1.0 | 0.0 | 0% |
| | HPD1311-Office of the Chief of Police | 34.0 | 38.0 | 4.0 | 12% |
| | HPD1320-Patrol | 233.0 | 237.0 | 4.0 | 2% |
| | HPD1341-Special Field Operations | 38.0 | 34.0 | -4.0 | -11% |
| | HPD1351-Investigations | 108.0 | 116.0 | 8.0 | 7% |
| | HPD1361-Support Services | 84.0 | 110.0 | 26.0 | 31% |
| | HPD1371-Administrative Services | 24.0 | 25.0 | 1.0 | 4% |
| **MAY** | | **-** | **1.0** | **1.0** | **100%** |
| | MAY0102-Administration | - | 1.0 | 1.0 | 100% |
| **MDO** | | **5.5** | **10.5** | **5.0** | **91%** |
| | MDO0130-City Management | 0.5 | 5.5 | 5.0 | 1000% |
| | MDO0132C-Culture and the Arts | 1.0 | - | -1.0 | -100% |
| | MDO0175C-Office of Housing | - | 1.0 | 1.0 | 100% |
| | MDO0177C-Office of Climate Change, Sustainability and Resiliency | 4.0 | 4.0 | 0.0 | 0% |
| **MED** | | **4.0** | **7.0** | **3.0** | **75%** |
| | MED1903C-Investigation of Deaths | 4.0 | 7.0 | 3.0 | 75% |
| **NCO** | | **3.0** | **1.0** | **-2.0** | **-67%** |
| | NCO0172X-Neighborhood Commission | 3.0 | 1.0 | -2.0 | -67% |
| **PAT** | | **40.0** | **60.0** | **20.0** | **50%** |
| | PAT0603C-Administration | 3.0 | 7.0 | 4.0 | 133% |
| | PAT0604-Prosecution | 26.0 | 39.0 | 13.0 | 50% |
| | PAT0606-Victim/Witness Assistance | 11.0 | 14.0 | 3.0 | 27% |
| **RHB** | | **8.0** | **7.0** | **-1.0** | **-13%** |
| | RHB0180C-Royal Hawaiian Band | 8.0 | 7.0 | -1.0 | -13% |
| **Grand Total** | | **2,016.3** | **2,191.9** | **175.6** | **9%** |

## Uniformed Vacant Positions

| Dept. | Budget Activity | FY 2022 | FY 2023 | Change | % Change |
|---|---|---|---|---|---|
| **HFD** | | **132** | **153** | **21** | **16%** |
| | HFD1402C-Administration | 2 | 4 | 2 | 100% |
| | HFD1403C-Fire Communication Center | 0 | 2 | 2 | 100% |
| | HFD1404C-Fire Prevention | 5 | 2 | -3 | -60% |
| | HFD1406C-Training and Research | 2 | 3 | 1 | 50% |
| | HFD1408C-Fire Operations | 123 | 140 | 17 | 14% |
| | HFD1409C-Planning and Development | 0 | 2 | 2 | 100% |
| **HPD** | | **307** | **384** | **77** | **25%** |
| | HPD1311-Office of the Chief of Police | 10 | 28 | 18 | 180% |
| | HPD1320-Patrol | 185 | 234 | 49 | 26% |
| | HPD1341-Special Field Operations | 36 | 30 | -6 | -17% |
| | HPD1351-Investigations | 61 | 80 | 19 | 31% |
| | HPD1361-Support Services | 5 | 4 | -1 | -20% |
| | HPD1371-Administrative Services | 10 | 8 | -2 | -20% |
| **ESD** | | **0** | **61** | **61** | **100%** |
| | ESD2412C-Emergency Medical Services | 0 | 42 | 42 | 100% |
| | ESD2711C-Ocean Safety | 0 | 19 | 19 | 100% |

HART
HONOLULU AUTHORITY for RAPID TRANSPORTATION

Lori M.K. Kahikina, P.E.
*Executive Director and CEO*

Rick Keene
*Deputy Executive Director and COO*

BOARD OF DIRECTORS

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March 28, 2022

The Honorable Calvin Say, Chair
and Members
Honolulu City Council
City and County of Honolulu
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Say and Members:

In response to your letter dated March 17, 2022, transmitting Budget Communication No. 12, below is HART's responses:

1) **Bond Setting. Page 13 Dept. Comm. 169 shows a breakdown of the bond authorizations for HART, totaling approx. $7.5 billion. What is the plan to settle these debt obligations?**

   Pursuant to Section 7 in ROH 21-24, "Any bonds authorized by Council action but remaining unissued and not required for any part of the HART budget appropriation, lapses as provided by the City Charter." This language is contained in HART's bills to authorize the issuance and sale of general obligation bonds.

2) **HART Contracts. In regards to "Contracts that will potentially be contracted in FY23" on page two of the presentation to Council, please provide further details on the status of the following:**

   a) ***City Center Utilities Relocation for Dillingham.*** The solicitation is tentatively scheduled to be released on April 12, 2022, with an estimated execution date in October 2022.

   b) ***City Center Guideway & Stations.*** Internal pre-solicitation discussions are ongoing. HART intends to release a Request for Qualifications before the end of the year.

   c) ***Waipahu Station Makai Entrance.*** Internal pre-solicitation discussions are ongoing. The difficulty of the project is its location in a Regulatory Floodway and the need to mitigate any increase in the water surface elevation, ideally without acquiring any adjacent properties.

4) **HART Waiawa. Where are we on a pedestrian bridge to Pearl Highlands from the Waiawa Station? Or what will HDOT do to ensure safe crossings across the highway?**

HART is adding a traffic signal and crosswalk across the Ewa-bound lanes of Kamehameha Highway for HDOT. This will provide a safe means for pedestrians to cross the Kuala Street intersection and access the Waiawa Station. Over the longer-term, the Department of Transportation Services (DTS) was awarded a Transportation Alternatives (TA) set-aside in April 2021 to plan and design the multimodal access improvements at the Waiawa station, which could include a concourse bridge over Kamehameha Highway. DTS is managing this project, and HART will assist this effort, as needed. No funds have been identified for construction.

5) **HART Waiawa. Please provide more detail on the nearly $1.7B appropriation for "City Center Guideway and Stations."**

The scope of CCGS to Civic Center includes:

- 3 miles of aerial guideway
- 6 passenger stations
- 3 traction power substations

The remaining scope of CCGS beyond Civic Center includes:

- 1 mile of aerial guideway
- 2 passenger stations
- 1 traction power substation

Please do not hesitate to contact me if you have any questions.

Very truly yours,

Lori M.K. Kahikina, P.E.
Executive Director and CEO

cc: HART Board of Directors
Mr. Michael Formby, Managing Director
Office of the City Clerk
Councilmember Carol Fukunaga
Councilmember Augie Tulba
Councilmember Tommy Waters

DEPARTMENT OF THE CORPORATION COUNSEL
**CITY AND COUNTY OF HONOLULU**
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RICK BLANGIARDI
MAYOR

DANA M.O. VIOLA
CORPORATION COUNSEL

RENEE R. SONOBE HONG
FIRST DEPUTY CORPORATION COUNSEL

March 21, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Dana M.O, Viola, Corporation Counsel
Department of the Corporation Counsel

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 17, 2022 for the Department of the Corporation Counsel

Please see attached our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022.

Attachment

Department of the Corporation Counsel
Question(s) of March 17, 2022

Attachment

**Question: Legal Services (3015) - Please provide more details for the $500,000 requested appropriation for "Legal counsel for HART." What type of legal services will be provided and please specify which City departments will be supported by this object code.**

Answer:

The $500,000 in Transit-Related General Funds requested for Attorney Fees (OC 3015) is needed for legal services for rail operations and maintenance (as opposed to rail construction) in support of the City departments that will be involved, potentially including DTS, BFS and DHR.

**Question: Provision for Judgments, Settlements, and Losses - How many cases does the FY 23 requested appropriation cover? Per COR's testimony that a calculation is used to provide this estimate, please provide the calculation formula used.**

Answer:

COR attorneys reviewed pending matters and cases in which we anticipate judgments or settlements, and estimated a total of $22.5 million may be needed to fund payouts from the Provision for Judgments, Settlements and Losses in FY 2023. Matters included in the estimated total are those which will likely be concluded between July 1, 2022 and June 30, 2023. This estimate also takes into consideration the related amount of self-insured retention (deductible) per claim which has been incrementally increased in recent years from $2 million (FY2019), $5 million (FY 2020), $7.5 million (FY 2021) and $10 million (FY 2022). The amount of deductible depends on when the event that led to the litigation occurred.

Based on the foregoing, our estimates follow:

| | |
|---|---|
| $ 5.0 mil | 1 case with an applicable deductible of $5 mil; |
| $ 2.0 mil | 1 case with an applicable deductible of $2 mil; |
| $15.5 mil* | 18 cases which we project will settle below the applicable deductible and other claims which are processed via the J/L Provisional |
| $22.5 mil | Total |

*The $15.5 mil represents COR's best educated estimate that the outcome of the 18 other pending cases will be lower than the corresponding deductibles which range from $2 mil to $7.5 mil. There are a number of factors which may impact the final settlements and result in the City's payout of the full deductible for these cases, leaving the provisional short. Therefore, any cuts to this provisional account may necessitate the structuring of multi-year agreements, which generally result in higher costs to the City as a result of interest required in order to settle a case with staggered payments or by order of the court.

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RICK BLANGIARDI
MAYOR

KIMBERLY M. HASHIRO
ACTING DIRECTOR

March 23, 2022

**MEMORANDUM**

TO: Michael D. Formby, Managing Director
Office of the Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Kimberly M. Hashiro, Acting Director
Department of Customer Services

Digitally signed by Kimberly M. Hashiro
Date: 2022.03.23 16:43:49 -10'00'

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 7, 2022 for the Department of Customer Services

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

Attachment

**Question 1. The City Council has received complaints regarding the Spay/Neuter program under the Humane Society. Can your department review the contract to assess how the program can be improved, such as more departmental oversight, inclusion of performance management measures, and success rate of the program?**

a. **The issues that have been reported include the following:**

   i. **Potential customers receive conflicting/inconsistent information from Humane Society staff as to whether or not the Spay/Neuter program is still being offered.**

   ii. **Customers are no longer allowed to conduct walk-in drop offs for the spay/neuter of free roaming cats—they must now make an appointment.**

Answer:

CSD is in the process of reviewing the current scope of work and programs included in the Hawaiian Humane Society (HHS) contract. We are working to improve the structure of the contract to set clearer expectations and reporting requirements. CSD will evaluate the spay/neuter program and work with HHS to establish performance metrics that will demonstrate the effectiveness of the program.

We will also discuss the issues raised regarding the spay/neuter program and request that HHS increase communication with the public regarding the ongoing spay/neuter program to inform them that it is still in effect. Also, with many COVID-19 restrictions being lifted, we will ask HHS if they will be providing walk-in drop off for animals instead of requiring appointments only.

**Question 2. Community members would like to help with controlling the free-roaming cat population. However, the Humane Society's trap rental policies could be a hindrance. Traps are available to be rented for seven-day increments, with a $75 deposit fee and $25 rental fee; and a $25 per day fee is charged for late returns (beyond the initial seven-day period). With this policy, if someone traps a free-roaming cat and cannot get a spay/neuter appointment in a timely manner, they will be charged $25 per day. This is cost prohibitive and not conducive to eliciting community participation.**

a. **Can the trap rental policy be reviewed and amended to reduce the financial burden for participants of the Feline Fix Program?**

Answer:

CSD will initiate discussions with HHS regarding the Feline Fix Program and review of their trap rental policy.

**Question 3. Please explain what services are included in the appropriation of $3,958,893 in FY22 and proposed appropriation of $4,008,893 in FY23 for Animal Care and Control, Spay/Neuter and Other Services (Object Code: 3049). Is the full appropriation dedicated to the contract with the Humane Society or with other service providers, as well?**

Answer:

The budget for the HHS contract in FY22 and FY23 is as follows:

| Program | FY22 Budget | FY23 Budget |
|---|---|---|
| Animal care and field services | $3,708,893 | $3,683,893 |
| Spay and neutering of free roaming cats | 165,000 | 265,000 |
| Spay/neuter of dogs and cats (Neuter Now) | 60,000 | 60,000 |
| Administrative fees for spay/neuter of dogs and cats | 25,000 | 0 |
| Total | $3,958,893 | $4,008,893 |

The total amount is for the HHS contract.

**Question 4. Please provide a breakdown by task of the total $4,008,893 appropriation to the Hawaiian Humane Society (for example: $##,### is for rent of space, $#,### is for cat sterilization, etc.).**

Answer:

| Program | FY23 Budget |
|---|---|
| Animal care and field services | $3,683,893 |
| Spay and neutering of free roaming cats | 265,000 |
| Spay/neuter of dogs and cats (Neuter Now) | 60,000 |
| Total | $4,008,893 |

The breakdown for the HHS contract for FY23 is pending negotiations.

**Question 5. Please provide the feral chicken mitigation program vendor. Please provide the five locations that CSD indicated will be serviced by the feral chicken mitigation program vendor.**

Answer:

The feral chicken mitigation program vendor is Sandwich Isles and the five locations that will be serviced in the initial phase of the pilot program are:

- 2015 Kapiolani Boulevard – Ala Wai Park
- Kahoaloha Lane – from Kuilei Street to King Street
- 37-49 N. Beretania Street – Smith Beretania Park
- Elepaio Neighborhood, two blocks mauka of Kahala Avenue
- 25 Aulike Street – Kailua Park

Alternate locations have also been identified (should the locations above not result in adequate captures):

- 130 S. Beretania Street – Kamalii Mini Park
- Fort Street Mall
- Sun Yat Sen Park
- Any additional location as needed

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RICK BLANGIARDI
MAYOR

ANTON C. KRUCKY
DIRECTOR

AEDWARD LOS BANOS
DEPUTY DIRECTOR

March 29, 2022

**MEMORANDUM**

TO: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Anton Krucky, Director
Department of Community Services

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 7, 2022 for the Department of Community Services

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

**Question 1: Affordable Housing Acquisition Methods – Budget Book, Page 14: "The Blangiardi Administration will prioritize the acquisition and development of properties that provide a full range of housing inventory, developments that will create transit-oriented communities delivering affordable housing and mixed-use retail where residents can live, work and play in communities with social services, service providers, businesses and access to multiple modes of transit and transportation." Please detail the projects that support this priority, the type of intended acquisitions and the AMI population to be targeted.**

Answer:
DCS is currently working with Administration on the stated goals as part of the Affordable Housing Working Group

**Question 2: Affordable Housing Permitting - Budget Book, Page 14: "The Mayor is prioritizing and expediting affordable housing plans, permits and projects within the City and County of Honolulu by focusing on efficient and streamlined processing of County, State and private sector developments/permits through a commitment to modernizing of government and organizational change within the Department of Planning and Permitting." Is this accurate? Is there a prioritization of affordable projects and no longer FIFO?**

Answer:
DCS is currently working with Administration on the stated goals as part of the Affordable Housing Working Group

**Question 3: Community Assistance – What is the total FY 23 requested appropriation (if any) to administer the function to provide bus fares for low income riders (Ord 21-7)? How many low-income riders were deemed eligible for this program in FY 22? How many low-income riders will be deemed eligible for this program in FY 23?**

Answer:
COVID19 led to an uncertain start date for the new program and thus uncertainty over staffing needs. The Council deferred the effective date of the new low income fare to July 1, 2022, and the program has not benefited any riders in FY 22. The Department of Transportation Services determined that the $1.5M appropriation for the new fare will assist approximately 2,524 individuals based on the FY 23 fare and the current breakdown of adult and youth passes. The actual number will depend on the number of adults and youth who actually apply and receive the fare.

**Question 4: Community Assistance – Please provide more detail regarding the rationale of moving 2.0 Planner FTEs moved from DCS-CAD to DPP.**

Answer:

The two planner positions originated in DPP and the transfer to DCS was proposed by the prior administration to implement an affordable housing eligibility determination function. After further discussion and increased housing duties being undertaken by DPP, the conclusion was to leave the function with DPP, thus the positions are being returned to DPP.

**Question 5: Community Based Development - FY 22, DCS-CBDD administered the leases for 65 City-owned properties for non-profits that provide shelter and services to persons and families with special needs; in FY 23, DCS-CBDD is anticipating to administer the leases for 72 such properties. Please provide a list of the new non-profit leases and the address of the property.**

Answer:

Please see the attached schedule that lists the seven (7) additional Special Needs Housing properties added to the properties list for the FY 23 budget.

**Question 6: Community Based Development (OC 3049) – Please provide more detail regarding the new FY 23 requested appropriation of $1,750,000 (GN). Why are these studies and assessments "required"? Please break down by each individual line item (e.g. Hale Mauliola Environmental Assessment, Village Park and Ride Facility for Low to Moderate Income Affordable Housing, etc.), the number of affordable housing units in each project (proposed or existing) or how the line item enhances an existing or future City affordable housing project and include the rationale of necessity and timeframe for completion for each line item in the FY 23 budget.**

Answer:

Please see the attached schedule that provides details on the potential projects that have been identified for the $1,750,000 (GN) requested appropriation for the City's Affordable Housing (AH) and Homelessness Vision. These studies are an essential requirement that will determine the eligibility, suitability and feasibility of the potential and available funding sources to inform the City's ultimate (re)development strategy.

**Question 7: Homeless Programs – 1. Overall operating budget went up by 14.4% (19% for City funds), but DCS budget went down by 8%. It appears to primarily be in CBDD, where your homeless programs are housed. Why this and what is being proposed to cut?**

Answer:
In FY 22, DCS received *additional* City Council appropriations totaling $24.1 million in General, Federal, and City Special Purpose funds. Of this $24.1 million, only $2.1 million was released and utilized. On a net basis, the proposed FY 23 DCS budget exceeds the FY 22 budget by approximately 10% and the CBDD FY 23 budget exceeds the FY 22 budget by approximately 34.7%.

**2. In 2021, the Administration recommended a decrease in homeless funding for the first time since the City began funding homeless programs in 2014. The proposed cut was $2.4M. Council restored it. Now it appears there is a proposed cut again. Why are we cutting homeless programs at this time.**

Answer:
DCS has been successful in securing other funding to replace City monies for its successful programs. For example, the FY 23 budget includes $1.2 million of State funds for its Housing First Program which is currently on its' 4th increment.

The FY 23 General Fund budget for the Homeless Initiative Program, which includes the Housing First Programs, reflects an increase of $712,936 over FY 22 levels. This includes the restoration of its $200,000 for the Landlord Engagement Program and $250,000 for the Outreach Navigation Program, which were either cut or reduced in FY 22. In addition $1.75 million was added in FY 2023 to implement certain the City's Affordable Housing and Homeless Vision projects (see Question 6).

**3. Housing First has been an extremely successful program since it began in 2015. Report after report shows that people are housed have less visits to the ER and less drug use. Director Krucky and Director Allen both stood here last year and said we needed more vouchers. The providers have come in here non-stop saying we need more housing units and more vouchers. Yet there is NO increase in funding for vouchers, and it appears there is actually a proposed cut to that area of the budget. Why? Where is the commitment to homelessness we keep hearing about?**

Answer:
There was no proposed cut to vouchers for the Housing First Program in FY 2023. In FY 2023, funding $1,200,000 in State voucher subsidies were added to the budget to support the Housing First IV Program. This allows the City's $765,000 General Fund commitment to the program to be focused on case management.

**Question 8: HONU – Is HONU still budgeted in the DCS WorkHawaii Divison? If not, please specify the budget function, department and activity. If yes, please provide details regarding the FY 23 requested appropriation, including the number of FTEs and the salaries, current expenses, and equipment totals.**

Answer:

No. In April 2020, per the request of the Office of Governor's Coordinator on Homelessness, the HONU was transferred to the Honolulu Police Department (HPD). Upon transition of the operations to HPD, WorkHawaii's role was replaced by service providers contracted by HPD.

As HONU operations transition back to DCS, DCS plans to continue to utilize contracted service providers under its Community Based Development Division. HONU operations will continue to be State funded under this new contract, including $1.2 million dollars in contracted social services for intake/referral and site management, and will be eligible for additional dollars, estimated to be approximately $6 million, should the Ohana Zone program continue to be funded by the State Legislature.

**Question 9: WorkHawaii Division – Decreased staff by 13 positions – why?**

Answer:

Initially HONU operations were under DCS and its WorkHawaii Division, and included these 13 positions. When HPD assumed operations in 2020, the WorkHawaii employees were replaced with contracted service providers. As HONU operations transition back to DCS, it plans to continue the use of contracted service providers and proposes the decrease of 13 staff positions in its FY 23 operating budget.

**Community Based Development Divison**
**Special Needs Housing Program**
**List of Projects**
**FY 2023**

| No | Property Name | Property Address | TMK | Units |
|---|---|---|---|---|
| 66 | Hauula Homestead Road | 58-83 and 58-83A<br>58-85 and 58-85A<br>58-87 and 58-87A<br>Hauula Homestead Road<br>Haula HI, 96717 | 5-4-008:002 | Three 5 bedroom duplexes - 15 total bedrooms |
| 67 | Na Lei Hulu Kipuna Phase 1 (50% AMI/Perpetuity) | 610 Cooke Street Honolulu, HI 96813 | 2-1-051:038 & 2-1-051:004 | 75 apartments |
| 68 | Na Lei Hulu Kipuna Phase 2 (60% AMI/60 Years) | 610 Cooke Street Honolulu, HI 96813 | 2-1-051:038 & 2-1-051:004 | Same as above |
| 69 | Hale Makana O Maili HTF | 87-37 Kulaaupuni Street Waianae, HI 96792 | 8-7-001:016 | 54 apartments |
| 70 | Kahauiki Village Phase II AHF | 2475 N. Nimitz Highway Honolulu, HI 96819 | 1-1-003:252 | 114 one and two bedroom homes |
| 71 | Maunakea Markeplace AHF | 1120 Maunakea Street, 2nd Floor Honolulu, HI 96817 | 1-2-003:096 | 38 apartments |
| 72 | Housing Solutions Inc. | Note: Address suppressed - Domestic Violence Shelter | | 6 apartments |

## FY 2023 Operating Budget Request for Affordable Housing and Homelessness Vision

## Department: Department of Community Services

| | Project | Description | Funding | Object Code | FY23 Budget Request (Not Included) | Comments |
|---|---|---|---|---|---|---|
| 1 | Hale Mauliola EA for extension | Lease expires in September 2022. Need the environmental assessment. | 110 | 3507 | 150,000 | EA will support a new lease and the potential addition of 23 new tiny homes. Originally, the requirement was previously waived by emergency proclamation. Study will be completed by 12/31/2022 to support DLNR lease extension. |
| 2 | Village Park and Ride facility for LMI Affordable Housing | Planning, design, and environmental consultants to prime property for redevelopment. | 110 | 3507 | 200,000 | Having property fully mapped and entitled will make it easier to solicit and placed into service. This study will help determine the number and type of units sitatuated on the property. |
| 3 | Hauula Oceanside Properties - Possible Acquisition | Due diligence and studies to support the property acquisition | 110 | 3507 | 200,000 | The target is a 141 room assisted living facility that is currently not in use. A cursory review of the target has identified potential infrastructure issues and existing entitlements for only 111 units. Additional studies will provide further analysis of the target acquistion. |
| 4 | Facility Assessment Pauahi Hale | Environmental assessment, planning and design | 110 | 3507 | 200,000 | The former boarding house has been identified as a underutilized city property that could be redeveloped for affordable housing. The stie currently houses clients of Mental Health Kokua that would need to be relocated prior to any redevelopment. |
| 5 | Kahuku Village Phase IV Flood Assessment | Environmental and engineering assessments. | 110 | 3507 | 200,000 | In 1985 the location was identified for 171 home lots for former Kahuku Sugar Mill workers. However, in the 1990's the Army Corp of Engineers revised its flood maps, designating the site as a flood zone. The study is necessary to determine the develop-ability of this site that has been in limbo. |
| 6 | DIR's Village conceptual plans for Nimitz Homeless Village | Environmental assessment, design, possibly sitework and equipment. | 110 | 3507 | 500,000 | Currently working to develop DLNR and a homeless community to develop transitional housing under the Kauhale model. |
| 7 | CPB Operations Center - Possible Acquisition | Due diligence and studies to support the property acquisition | | | 300,000 | CPB has tentatively offerred an office facility to the City for use as affordable housing. Prior to acquisition studies need to be completed to assess the suitability of the facility and its potential for conversion to affordable housing. |
| | | | | | | |
| | | **TOTAL COSTS** | | | **1,750,000** | |

Comment: For these properties in the City's Affordable Housing and Homelessness Vison projects, the planned studies and assessments are required to assess the eligibility, suitability and feasibility of the site. Based on these site evaluations, the number of affordable housing units for each site will be determined. This will also determine how the site will enhance the City's affordable housing inventory and will assess the necessity and timeframe for completion of the site.

**DEPARTMENT OF DESIGN AND CONSTRUCTION**
**CITY AND COUNTY OF HONOLULU**
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RICK BLANGIARDI
MAYOR

ALEX KOZLOV, P.E.
DIRECTOR

HAKU MILLES, P.E.
DEPUTY DIRECTOR

March 22, 2022

TO: Michael D. Formby, Managing Director
Office of the Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: ~~for~~ Alex Kozlov, P.E., Director
Department of Design and Construction

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 8, 2022 for the Department of Design and Construction (DDC)

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

Department of Design and Construction
Question(s) of March 8, 2022

Attachment

**Question 1. Provide more details regarding the FY 23 appropriation request of $3,349,700 for the City-wide Energy Service Performance (ESPC) Lease Payment, including: a) Who is the contractor? b) Why is the contract term 20 years? c) What if the City wishes to exit this contract before the 20 year term limit ends? d) Who audits the 20 year contract for performance?**

Answer 1a:

The contractor for the City-wide Energy Services Performance Contract (ESPC) is Johnson Controls, Inc. (JCI). Under the ESPC project, the City does not pay for the construction services upfront, as it does under normal construction projects. Third-party financing is used to pay for the construction work. The City then pays the financing company through the energy cost savings. JCI arranged the 3rd-party financing through First Hawaiian Leasing (FHL), a subsidiary of First Hawaiian Bank.

Answer 1b:

State law allows a maximum term of twenty (20) years for ESPC projects, as it may take up to twenty (20) years to accumulate the energy savings to pay off the financing.

Answer 1c:

The City can exit the lease agreement at any time during the term provided that the City pays off the balance of the loan.

Answer 1d:

The DDC Mechanical/Electrical Division, which is responsible for administering the ESPC project will also be auditing the performance of the contract during the 20-year term. In addition, as part of the performance, JCI is guaranteeing the energy savings. If during any year in which the energy savings goals are not met, JCI will pay the City the difference or install additional energy conservation measures at no cost to the City.

DEPARTMENT OF EMERGENCY MANAGEMENT
**CITY AND COUNTY OF HONOLULU**
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JENNIFER M. WALTER
DEPUTY DIRECTOR

March 23, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Hirokazu Toiya, Director
Department of Emergency Management

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 9, 2022 for the Department of Emergency Management

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

Department of Emergency Management
Question(s) of March 9, 2022

Attachment

**Question: Why do you not have any Federal Grant Funds in your budget, or will you be getting ARPA/CARES money, and if so, how much will you spend it?**

Answer:

The Department of Emergency Management (DEM) receives various federal grant funds; however the funds vary year to year and are not included in our budget during the budgeting process due to the uncertainty of the award, the funding level, and the timing of the award. Whenever DEM is to be awarded federal grants, a Memorandum of Agreement between the administering agency and the City is executed and DEM seeks City Council approval to accept the funds. Subsequently, accounting books are established through the Department of Budget and Fiscal Services. In recent years, DEM has been awarded funds from the Federal Emergency Management Agency's Homeland Security Grant Program, Emergency Management Performance Grant, and Hazard Mitigation Grant Program. Additionally, DEM has received reimbursement for disaster related expenses from the FEMA Public Assistance program, which also goes through the Limited Purpose Monies acceptance process with the City Council.

DEM currently does not have any open requests or allocations for ARPA/CARES monies at this time. Should there be a need, DEM will work with the Administration and follow the established process for requesting ARPA Fiscal Relief Fund.

DEPARTMENT OF ENTERPRISE SERVICES
GOLF COURSE DIVISION * HONOLULU ZOO * NEAL S. BLAISDELL CENTER * WAIKIKI SHELL
**CITY AND COUNTY OF HONOLULU**
777 WARD AVENUE · HONOLULU, HAWAII 96814-2166
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RICK BLANGIARDI
MAYOR

JERRY PUPILLO
DIRECTOR

TRACY S. KUBOTA
DEPUTY DIRECTOR

March 28, 2022

**MEMORANDUM**

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Jerry Pupillo, Director
Department of Enterprise Services

Digitally signed by Kubota, Tracy
Date: 2022.03.28 17:24:47 -10'00

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 8, 2022 for the Department of Enterprise Services

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

Department of Enterprise Services
Question(s) of March 8, 2022

Attachment

**Question 1. We pay $1.2M annually to lease golf carts at our golf courses. Is it cheaper to lease or buy? Does the lease include maintenance/repair?**

Answer:

Golf Division leases 670 golf carts, under a five year contract for approximately $1.2M. This contract includes the daily maintenance and repairs of the golf carts, and an on-site mechanic at five of our courses (all except Kahuku Golf Course) to replace batteries and tires, do oil changes and all major repairs. The contract requires the vendor to ensure each course has the requisite number of golf carts readily available for daily public rental, and a 10% back up inventory of carts. A new contract every five years provides the municipal courses with newer and safer carts.

The estimated costs to purchase and maintain an inventory of 670 golf carts with a minimum of five mechanics are as follows:

134 carts x $23,000 = $3,082,000/5 years x 5 courses = $3,082,000/year
5 mechanics x $52,188/year = $260,940
Add 75.37% for benefits = $260,940 x .7537 = $196,670
Parts: $200,000/year (minimum)

Total: $3,739,610

Having a cart and maintenance lease for our golf courses makes it more cost effective and operationally efficient, while providing safe and reliable carts for our staff and golf . It also guarantees the provision of services which cannot be done in-house with our current resources.

**Question 2. In the budget briefing, in response to my question regarding the need for marketing and advertising ($60,000 for the zoo and $90,000 for golf courses), Director Pupillo mentioned that the golf and zoo activities are the largest revenue generators for the DES and the marketing and advertising is to "prime the pump" based on expectations of what DES is trying to do at these two divisions. a. Would it be prudent to wait until tourism stabilizes before budgeting and expending funds for marketing and advertising? This way, we can more accurately determine if marketing is effective in increasing attendance versus the rebound in tourism from COVID-19?**

Answer:

We continue to see an increase in our visitor count at the Honolulu Zoo and golf courses. Reports indicate that Hawaii tourism is rebounding, and by summer, we expect to be closer to pre-pandemic levels.

The funds for advertising will target out-of-state visitors and help increase the resident market. We believe advertising will promote awareness of our Honolulu Zoo and golf courses to drive visits and rounds. The funds requested are modest compared to like-sized zoos across the country as benchmarked by the AZA and other like-sized attractions in the private sector right here in Hawaii. Our request totals less than 1% of revenues combined, while the industry averages 7%.

**Question 3. What is DES's plan to better utilize its properties and venues to increase its revenue stream?**

Answer:

Due to the impacts of the pandemic, DES has been working on recovery, ensuring its current concessions remain occupied and improving our attendance at all venues to strive to achieve pre-pandemic figures. However, as much as we are focusing on increasing revenues, we find that we currently need to place an equal emphasis on evaluating our businesses to determine how to best stabilize and maintain operations to provide continued and quality services, which will ultimately support our revenues.

Golf Course Division is utilizing the data being collected with its new online reservation system to optimize filling of tee times and analyzing areas which may support future fee increases.

Auditoriums Division is working to fill its venues with returning and new events, while programming deferred maintenance capital projects to address health and safety needs to minimize revenue loss and prevent any long-term closures.

Zoo is focusing efforts on maintaining accreditation, and pushing forward with capital projects to address deferred maintenance and modernize facilities to stabilize and increase its attendance and support revenue generation from its concessions.

As DES concessions in its facilities and on Parks' properties have been impacted due to pandemic closures/reduction in services, DES is currently working on monitoring and evaluating the business climate to stabilize our concessions. This will allow DES to revise existing contracts for upcoming solicitations to provide continued services by attracting and supporting quality concessionaires.

DEPARTMENT OF FACILITY MAINTENANCE

**CITY AND COUNTY OF HONOLULU**

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RICK BLANGIARDI
MAYOR

DAWN B. SZEWCZYK, P.E.
DIRECTOR AND CHIEF ENGINEER

WARREN K. MAMIZUK
ACTING DEPUTY DIRECTOR

IN REPLY REFER TO:
22-071

March 24, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Dawn B. Szewczyk, P.E.
Director and Chief Engineer
Department of Facility Maintenance

Digitally signed by Szewczyk, Dawn
Date: 2022.03.24 11:42:18 -10'00'

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 17, 2022, for the Department of Facility Maintenance

The following is our agency's response to the questions on the [Operating/CIP] Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

Department of Facility Maintenance
Question(s) of March 17, 2022

Attachment

1. **Question: What is the timeline for replacing the Civic Center parking lot, and what are our contingency plans for employee parking?**

   Answer:

   The Civic Center Parking Structure is not being replaced; however, major improvements are being implemented. The Department of Design and Construction (DDC) is responsible for the improvement project. Planning, design, and additional structural investigation work is currently in progress. Construction will commence in FY 2023 with an anticipated duration of three years to complete all work. Contingency plans for parking include maintaining as much parking as possible during construction.

   The Department of Facility Maintenance (DFM) is working closely with DDC to minimize parking displacement for employees during the project. Although it is somewhat too early to provide definite contingency plans for employee parking, DFM has been monitoring the utilization of unassigned stalls by reviewing current parking permits and conducting physical counts, so that vacancy rates align with final project phases. Additionally, DFM plans on working with the Department of Transportation Services and Department of Enterprise Services on possible alternative parking.

2. **Question: For many years, residents living along the Salt Lake waterway have been complaining about the lack of maintenance by the owner, Honolulu Country Club. Numerous concerns regarding overgrowth, stagnant water, and foul odors emanating from the waterway have been received and documented. Additionally, due to debris, vegetation, and silt clogging the waterway, flooding has occurred eroding and weakening the stream banks, resulting in trees falling over and potentially affecting neighboring properties.**

   a. **Has the City taken action to enforce Ordinance 17-38 (that addresses situations like this)?**
      **How many citations or warnings have been given to private property owners that are in violation of this ordinance?**

Answer:

DFM's Division of Road Maintenance has been conducting monthly meetings with Country Club Villages representatives and representatives from Councilmember Cordero's office. DFM has also been performing monthly inspections of the waterway and twice a month inspections of the waterway weir to ensure no clogging occurs. Trees that have fallen within the golf course were reported to the golf course and they are in the process of scheduling removal in coordination with the Department of Parks and Recreation (DPR) for access.

a. The City has not recently conducted enforcement actions in relation to Revised Ordinances of Honolulu Article 41-26 and Ordinance 17-38 although investigations have occurred in response to complaints. No citations were sent out in the FY22 but four (4) letters of warning were sent out to private property owners regarding stream or waterway maintenance.

3. **Question: In regards to stream maintenance:**
   a. **Does your department have performance metrics for maintenance of streams?**
   b. **Can metrics be included in the FY24 Budget?**
   c. **What are the goals of the department as it pertains to the maintenance of City streams?**

Answer:

a. DFM does not currently have performance metrics for the maintenance of streams.
b. Metrics can be included in the FY24 budget such as square footage of vegetation/debris cleared from streams per month. A baseline measurement of stream maintenance capability and inventory of City- maintained stream areas are being developed that can be incorporated into the metrics.
c. The goal of DFM is to perform vegetation and debris removal maintenance of City streams proactively and at appropriate levels to minimize flooding and property damage. The maintenance frequency of specific streams may vary due to the size, location, and stream improvements in place.

4. **Question: The Over $50k reports have numerous light-duty vehicle purchases this year, many of which are not in alignment with State procurement law to prioritize electric vehicles. How prepared is DFM for the transition to a fully electric fleet by 2035? Will it commit to EV purchases for all light-duty and commuter vehicles?**

Answer:

The listing of traditional internal combustible engine (ICE) vehicle purchases instead of electric vehicles (EVs) on our Over $50K report is due to the fact that the necessary EV charger stations and infrastructure have not yet been installed at a majority of City facilities where City fleet vehicles are based. We are working closely with DDC to coordinate infrastructure installation and EV purchases so that fleet EV purchases do not result in EVs sitting idle due to a lack of chargers.

DFM is committed to EV purchases for all light-duty fleet vehicles, and preparation for the transition is in progress. We are teaming with other departments to determine the best way forward in the acquisition of fleet EVs:

- In September 2021, DFM and the Office of Climate Change, Sustainability and Resiliency (OCCSR) initiated a Fleet Modernization working group (FMWG) comprised of members from various departments to establish the plan to meet the 2035 goals for the City fleet's light-duty vehicles.
- Using data gathered from OCCSR's analysis and decision support tool, the FMWG meets regularly to coordinate/schedule charger installation. In support of this effort, DDC is developing a contract to identify EV charging requirements at sites, island-wide, that house the largest amount of fleet vehicles.
- The FMWG is working to develop a holistic long-term transition plan, which would include an Operations and Maintenance Plan, Fleet Transition Plan, City Facility Transition Plan, Workforce Transition Plan, and Funding Plan.
- Small charging stations (2 charging points each) have been installed at the Civic Center Parking Structure and Kapolei Hale, with designs currently in progress for additional charging stations at Kapolei Hale (64 charging points) and the Medical Examiner's office (2 charging points).

DTS is currently moving forward with the planning, design and construction of charging infrastructure to support EV buses as its top priority (as is captured in DTS FY23 CIP line item, project no. 2019090). DTS's long-term goals include the eventual conversion of OTS service vehicles and Handi-Vans to EV. The Fleet Modernization Working Group (FMWG) will coordinate with DTS for EV charging infrastructure planning and installation, and EV purchases in support of OTS's service and Handi-Van fleet modernization plans.

DFM strives to ensure the acquisition of EVs is optimized to meet the needs of the City.

5. **Question: Is your department working on and/or monitoring federal grant solicitations?**

Answer:

Yes, DFM is working on submitting projects in response to federal grant solicitations (specifically ARPA-FRF) and continues to monitor other federal grant opportunities (IIJA, etc). DFM is currently working to submit 10 FRF funding request applications totaling $30.85M:

| ARPA – FISCAL RECOVERY FUNDS PLANNED FUNDING REQUESTS FOR DFM | | |
|---|---|---|
| **3. Modernize City Operations** | | |
| Operating Budget - Personnel | 1 project | $600,000 |
| Stormwater Management Programs | 2 projects | $14,000,000 |
| City Systems Improvements | 1 project | $500,000 |
| **4. Invest in Critical Island Infrastructure** | 6 projects | $15,750,000 |
| | | |
| **TOTAL** | **10 projects** | **$30,850,000** |

Additionally, the Storm Water Quality (SWQ) Division within DFM has been working under an informal interim partnership with the Hawaii Community Foundation (HCF) who has been providing technical support focused on the department's storm water quality related projects that directly align with HCF's Fresh Water Initiatives. HCF has been assisting with identifying potential grant opportunities through both Federal, State, and Private funding sources including Congressional Directed Spending Funds. Recently in February 2022, SWQ had submitted an application through Congressman Case's office requesting federal funds to implement a pilot green stormwater infrastructure project in the Kakaako area. SWQ has also been working with the State Department of Health (DOH) through their Clean Water State Revolving Funds loan program that is funded by the federal EPA to qualify for additional subsidization funds to perform stormwater-specific planning studies. A recent application was submitted in March 2022 to DOH's office for their review and consideration.

6. **Question: PBEM is seeing a reduction in salaries due to the transfer of employees to DTS for rail operations. Please provide the number of positions being transferred, job title and job descriptions.**

Answer:

Funding for salaries for thirteen (13) new positions related to rail-station maintenance in the amount of $615,852.00 was included in PBEM's FY22 operating budget (180/1824). While salary funding was being transferred to the Department of Transportation Services, no positions are being transferred as the thirteen (13) positions still needed to be created (as well as job descriptions needed to be developed):

- Eight (8) Utility Worker I positions
- Four (4) Utility Worker II positions
- One (1) Utility Groundskeeping Supervisor

**7. Question: Why was the Road Maintenance program budget reduced from $30 to $25 million?**

Answer:

Reductions to the Road Maintenance program budget involved several adjustments made to "right-size" funding to prior year expenditures and other specific program expenditures.

a. A reduction of $677,855 was made to the object code 2652 - Bitumul because past FY21 expenditures indicated a reduced expenditure to that account. This was possibly related to recent road resurfacing performed in recent years involving the Rehabilitation of Streets program administered by the Department of Design and Construction (DDC) and the Pavement Preservation program that is administered by DFM.

b. A reduction of $1,418,077 was made to object code 3006 - Other Professional Services because DFM will be deferring the amount usually expended for the pavement condition measurement contract as there was a previous commitment to perform measurement every other year once a baseline measurement of all of the City roads was performed.

c. A reduction of $486,500 was made to the object code 3049 - Other Services Not Classified because funding for USGS Stream Gage Monitoring Stations that were previously included in prior years was not deemed to be needed because SWQ pays for some of it and DLNR found funds to pay for the remainder.

d. A reduction of $817,472 was made to object code 3551 - Street Resurfacing because previous appropriation amounts were based on slurry seal pavement preservation costs and there is more emphasis on crack sealing and seal coating applications that are less costly. DFM is also assessing the new micro-surfacing technique for pavement preservation that State DOT will be using but will likely be available in future fiscal years.

Lower salary costs reflect recent retirements contribute to the remainder of the reduction, $1,326,671.00.

DEPARTMENT OF HUMAN RESOURCES

**CITY AND COUNTY OF HONOLULU**

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RICK BLANGIARDI
MAYOR

NOLA N. MIYASAKI
DIRECTOR DESIGNATE

FLORENCIO C. BAGUIO, JR.
ASSISTANT DIRECTOR

March 22, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano Director
Department of Budget and Fiscal Services

FROM: Nola N. Miyasaki, Director Designate
Department of Human Resources

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 7, 2022 for the Department of Human Resources

The attached is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022.

Attachment

Attachment

**Question: Is DHR positioned to provide reporting information about staffing across the entire City? What additional resources would you require to do so? For example, it would be beneficial for Council to more regularly receive reports about the City workforce as a whole including vacancies, overtime usage, workforce equity and demographic information, etc. It seems like DHR would be the appropriate department to provide this information on a City wide level. Would you be willing to work with Council?**

Answer:

DHR is able to provide information on vacancies, workforce equity, and demographics. With respect to overtime, it is within the departments' own purview and discretion to approve overtime dependent on their operational need and budget allotment. Thus, information on overtime usage could be provided by the Department of Budget and Fiscal Services or by individual departments.

Figures pertaining to vacancies, workforce equity, and demographics do not vary significantly between quarters. Our recommendation would be to provide this data to the City Council twice a year, as of the end of the calendar year (December 31) and as of the end of the fiscal year (June 30). While retirements occur throughout the year, they are markedly higher at the end of the calendar year.

We further note that, in keeping with the tenets of Council Resolution 21-100, which urges disaggregation of agency racial data collection, DHR successfully applied for and received a $100,000 grant from the Bill and Melinda Gates Foundation, through the National Association of Counties (NACo) Research Foundation. The grant will fund a project for DHR to survey our existing City workforce for their disaggregated racial background, and gather the same information from new employees going forward. The resulting baseline assessment of our existing employees, updated in real time as new employees are on-boarded, can then provide data to the City to inform planning and outreach to address racial inequities, under-representation, and other related issues, both now and in the future.

DEPARTMENT OF INFORMATION TECHNOLOGY
**CITY AND COUNTY OF HONOLULU**
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RICK BLANGIARDI
MAYOR

MARK D. WONG
DIRECTOR AND CIO

STEPHEN COURTNEY
DEPUTY DIRECTOR

March 23, 2022

**MEMORANDUM**

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: ~for~ Mark D. Wong, Director and CIO

Digitally signed by Courtney, Stephen
Date: 2022.03.23 16:12:02 -10'00'

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 7, 2022 for the Department of Information Technology

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

Department of Information Technology
Questions of March 7, 2022

Attachment

**Question: On your Line item Details over $50K report, under OC #3752 Subscriptions, please explain what the SMS subscription of $30,000 and Airwatch (MDM) Annual Subscription of $18,450 are for.**

Answer:

***SMS Subscription - $30,000.***

*The SMS subscription is a monthly subscription which handles text notifications to the public from any application, including those created by DIT.*

*Some of the more popular applications which use this service/function are:*

1) *AlohaQ – which is used to schedule and send out appointment confirmations and reminder messages*
2) *HNL.info Alerts – which is used to send out Emergency notifications to the public. It was also used during emergency quarantines to notify visitors that registered with the State.*
3) *CityVax – which uses the service to send out confirmation messages, when employees submit their Vaccination Card and Booster Shot records*

*This is a critical subscription, in that without it communications with the public will be severely impacted.*

***Airwatch (MDM) Annual Subscription - $18,450.***

*Airwatch is an annually paid subscription, which allows users to upload an application onto people's devices (such as cellphone/tablet/etc). This Mobile Device Management (MDM) Application allows them to access to applications on the City's network, thereby allowing the employee to work remotely. There are currently 239 Airwatch users, mainly in the public safety departments, HFD and ESD.*

**DEPARTMENT OF LAND MANAGEMENT**

**CITY AND COUNTY OF HONOLULU**

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RICK BLANGIARDI
MAYOR

SCOTT K. HAYASHI
DIRECTOR

CATHERINE A. TASCHNER
DEPUTY DIRECTOR

March 29, 2022

**MEMORANDUM**

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Catherine A. Taschner, Deputy Director
Department of Land Management

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 17, 2022 for the Department of Land Management

The following is our agency's response to the questions on the Operating/CIP Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachments: DLM's Acquisition Policy
DLM's Management Policy
DLM's Protection and Development Policy
Exhibit 1 – Organization Chart (w/requested additional position detail)

Department of Land Management
Questions of March 17, 2022

Attachment

**Question 1. 1615 Ala Wai: What is the status of 1615 Ala Wai Boulevard?**

Answer:

An updated appraisal was completed as of February 11, 2022. The Department of Design and Construction ("DDC") sent the property owners a certified letter on February 28, 2022 with an offer, based on the appraised value of $3,044,000. Deadline to respond was March 14, 2022. Since there was no response, DDC initiated eminent domain proceedings. DDC requested a check in the amount of $3,044,000 from BFS-Treasury to be deposited with the Chief Clerk of the First Circuit Court. The Department of the Corporation Counsel will handle the condemnation process going forward.

**Question 2. Acquisitions: What is the department's overall strategy when determining what properties to acquire and who you choose to manage those properties?**

Answer:

The Department of Land Management ("DLM") acquires properties on behalf of other City departments, based on their own strategies and needs for property acquisition. Departments seeking to acquire a property must submit a request to DLM, substantially in the form required pursuant to DLM's Acquisition Policy, a copy of which is attached hereto.

Post-acquisition, the departments are responsible for development and management of the asset. Departments seeking guidance must submit a request to DLM, substantially in the form required pursuant to DLM's Management Policy and DLM's Protection and Development Policy, copies of which are attached hereto.

Regarding affordable housing acquisitions, the Affordable Housing Working Group (the "AHWG") is pursuing strategic acquisitions of existing residential properties with 30+ units in the TOD, future growth corridors, and underserved areas. The AHWG is comprised of representatives from the Office of Housing, the Department of Community Services, the Department of Planning and Permitting, and DLM. Representatives from other departments also participate in AHWG discussions on an *ad hoc* basis.

**Question 3. Affordable Housing Prospective Parcels: Please provide a list of all parcels being considered for potential acquisition or affordable housing development.**

Answer:

DLM is reviewing the list of City-owned parcels identified by the City Council to determine whether any are eligible or appropriate for affordable housing development.

DLM is in contact with various landowners and brokers regarding the potential acquisition of parcels for affordable housing. Unfortunately, a majority of the identified parcels were determined ineligible or inappropriate for affordable housing development, based on land use/zoning incompatibility, known deferred maintenance and/or significant capital improvement requirements, or known strong community opposition.

While several parcels are eligible or appropriate for affordable housing development, DLM recommends withholding the list of these parcels, as premature public disclosure may have a prejudicial impact on the landowner and any potential acquisition process. However, DLM is happy to schedule follow-up meetings with each Councilmember whose district contains one or more of these parcels.

If and when DLM has identified a bona fide potential acquisition, it will consult with the Councilmember whose district contains the subject parcel.

**Question 4. CIP: CIP #2020004 Affordable Housing and CIP #2018002 Affordable Housing in TOD are Council funded appropriations that have been expended because the department is utilizing the funding for many worthwhile projects. Affordable Housing is one of the Administration's top priorities and the City Council supports this. If the Council includes funding for these projects in the FY23 budget, will the department expend these monies?**

Answer:

Affordable Housing is a top priority for the Administration.

It is DLM's understanding that the monies appropriated through CIP #2018002 Affordable Housing in TOD have lapsed.

Regarding the monies appropriated through CIP #2020004 Affordable Housing, DLM is working diligently to identify affordable housing acquisition and development opportunities for the City. DLM is also reviewing the use of these funds towards infrastructure improvements to support future affordable housing development.

DLM has been in the process of restructuring, and no longer acquires and develops affordable housing on its own. Instead, DLM acquires properties on behalf of other departments in conformance with the DLM Acquisitions Policy and the AHWG's Acquisition Strategy. Similarly, DLM will provide guidance on development of properties to other departments in conformance with the DLM Protection and Development Policy and the AHWG's Affordable Housing Plan. Accordingly, DLM will expend the monies for affordable housing acquisitions and developments if so directed by the other departments.

**Question 5. CIP Spend: As you are aware, the Council appropriated over $170 million in Affordable Housing funds in last fiscal year's CIP budget. What is DLM's intention in utilizing these funds to acquire parcels for housing?**

Answer:

DLM is actively and aggressively looking at numerous properties for potential acquisition, working with real estate brokers as well as through other real estate professionals. DLM is currently going through the due diligence process for a large mixed-use property as well as a preliminary assessment on another large property. $25 million of the $170 million has been allocated for planning, design, and construction of affordable housing at Harbor Arms as well as other City-owned properties.

DLM is also reviewing the use of these funds towards infrastructure improvements to support future affordable housing development.

**Question 6. Detailed Statement of Revenues & Surplus:**

**a. On Page C-65, "Rental Units (City Prop)" FY 23 revenue is increasing by $690,226 and "Parking Stalls" FY 23 revenue is increasing by $406,336 over FY 22.**

**b. Please provide a schedule of property/assets that DLM derives rental income from. Please include the address and TMK and indicate on this schedule the date that DLM acquired jurisdiction of each property/asset. Please also provide a brief explanation of why the two revenue line items are increasing FY 23.**

Answer:

a. DLM received a number of Leases and Rental Agreements transferred from the Department of Budget and Fiscal Services ("BFS"). As these Leases and Rental Agreements approached their renegotiation or expiration dates, rent appraisals were obtained by DLM. The increase in revenues reflects the increase in appraised rent rates.

b. As stated above, the two revenue line items are estimated to increase for FY23 due to increased appraised rent rates as Leases and Rental Agreements reach their renegotiation or expiration dates. In addition, please see the chart below:

| LIST OF RENTAL PROPERTIES | | | |
|---|---|---|---|
| **Rental Properties** | Address | TMK | Acquisition Date |
| Look Lab – Point Panic Productions, LLC | 811 Olomehani Street | (1) 2-1-060:029 (Por.) | January 2019 |
| Look Lab – Point Panic Productions, LLC | 98 Koula Street | (1) 2-1-060:029 (Por.) | January 2019 |
| Ocean Investment, LLC | 40 Ahui Street | (1) 2-1-060:029 | January 2019 |
| Children's Discovery Center and Verizon Wireless Telecommunication Lease | 111 Ohe Street | (1) 2-1-060:017 | January 2019 |
| Hawaii Law Enforcement FCU – Waimano (Pearl City) | 1100 Waimano Home Rd. | (1) 9-7-094-022 | May 2020 |
| Hawaii Law Enforcement FCU – Young St. | HPD Main Station | (1) 2-1-042-011 | May 2020 |
| **Parking Stalls** | | | |
| Longs Drug Store California, LLC | (Makai) Beretania St. and (Mauka) S. King St. | (1) 2-8-05:005 and (1) 2-8-05:006 | May 2020 |
| Aqua Oasis Joy Hotel Off-Street Parking Lot | 320 Lewer St. | (1) 2-6-018:011 | May 2020 |
| Limit – parking on Keawe St. and Pohukaina and Auahi St. in Kakaako | Keawe Street between Pohukaina and Auahi Street in Kakaako | (1) 2-1-054-033 | May 2020 |
| Tanioka's Fish Market – parking only a Portion of the Wailani Flood Control Channel | 94-903 Farrington Hwy. | (1) 9-4-019-039 | May 2020 |
| Reynold's Recycling parking only 3 locations (Mililani, Hawaii Kai, and Royal Kunia) | Mililani Mauka, Hawaii Kai, Royal Kunia City owned parking lots | (1) 9-5-049-019<br>(1) 3-9-017-021<br>(1) 9-4-146-007 | May 2020 |
| Calvary Chapel license agreement | Kahalu'u Sewage Pump station area | (1)4-7-011-016 | May 2020 |
| Lurline Drive – driveway parking | 3992 Lurline Drive | (1) 3-3-027:027 | May 2020 |
| Liloa Rise – off-street loading area and parking | 2333 Liloa Rise | (1) 2-9-05-38 | May 2020 |

**Question 7. Hale Maluhia: Please provide an update on DLM's property management of Hale Maluhia. Mayor's Message 60 (2021) stated that DLM's property management contract was extended to March 8, 2022.**

Answer:

The property management contract for Hale Maluhia was extended to March 8, 2023. Housing Solutions, Incorporated ("H.S.I.") is contracted to provide property management services for Hale Maluhia, including but not limited to, physical improvements, maintenance and repairs. H.S.I. currently works with the Domestic Violence Action Center to provide management services for individuals with a 50% area median income and homeless persons who are survivors of or are fleeing domestic violence, sexual assault, and/or human trafficking.

**Question 8. Inventory List: Please provide a complete inventory list of all the City properties managed by DLM.**

Answer:

Please see inventory list below:

| Inventory List of City properties managed by DLM Asset Management Division |
|---|
| **Rental Properties** |
| Look Lab – Point Panic Productions, LLC |
| Look Lab – Point Panic Productions, LLC |
| Ocean Investment, LLC |
| Children's Discovery Center and Verizon Wireless Telecommunication Lease |
| Hawaii Law Enforcement FCU – Waimano (Pearl City) |
| Hawaii Law Enforcement FCU – Young St. |
| **Parking Stalls** |
| Longs Drug Store California, LLC |
| Aqua Oasis Joy Hotel Off-Street Parking Lot |
| Limit – parking on Keawe St. and Pohukaina and Auahi St. in Kakaako |
| Tanioka's Fish Market – parking only a Portion of the Wailani Flood Control Channel |
| Reynold's Recycling parking only 3 locations (Mililani, Hawaii Kai, and Royal Kunia) |
| Calvary Chapel license agreement |
| Lurline Drive – driveway parking |
| Liloa Rise – off-street loading area and parking |
| **Affordable Housing Projects** |
| Bachelor's Quarters - Ewa Village |
| Beretania Hale |
| Chinatown Gateway Plaza |
| Chinatown Manor |
| Citron Street (Mohala Mai) |
| Halona Road |
| Harbor Village |
| *Harbor Arms - temp. for COVID |
| Kanoa Apartments |
| Kauhale Kamaile |
| Kulana Nani |
| Manoa Gardens |
| Marin Towers |
| McCully Street |
| Piikoi Street |
| Poki (Hale Maluhia ) |
| *West Loch Modular (temp. for COVID) |
| West Loch Elderly |
| Westlake Apartment |
| Winston Hale/Micro Units |
| Young Street (Kumuwai) |

**Question 9. Isolation/Quarantine Facilities: According to DLM's "Spending to make a difference," "DLM removed two affordable housing rental projects from the market, and repurposed them into isolation/quarantine facilities to serve the community at no cost. This action resulted in the estimated loss of revenues to the City of approximately $160K to $200K, although all operating expenses approximating $3.06M were reimbursed by the Coronavirus Aid, Relief, and Economic Security (CARES) Act." Please provide the status of these facilities and their plans for the future.**

Answer:

Over the past three months, the City and County of Honolulu was able to provide isolation and quarantine (ISO/Q) accommodations for over 215 individuals and families on O'ahu who otherwise did not have a safe place to do so. The number of rooms needed for ISO/Q on O'ahu has dropped from 58 in January 2022, to less than five by mid-March 2022. As of March 23, 2022, only two people remained in ISO/Q. As a result of decreased need, the City and County of Honolulu will no longer be using the Harbor Arms in 'Aiea and the West Loch Modular building in 'Ewa Beach as ISO/Q facilities.

Both City facilities will now transition to serve their original purpose as affordable housing for individuals or couples at or below 60% of the area median income. West Loch Modular, which has been vacant since the end of February 2022, is ready to welcome its first residents on April 1, 2022. Harbor Arms will continue to house the two ISO/Q occupants at the facility before transitioning to much-needed affordable housing.

**Question 10. Organization Chart: Please provide an organizational chart relevant to the requested FY 23 budget appropriations. At a minimum, please categorize the chart by division and FTE count. Please label each FTE count under each division, with the: 1) Classification title; 2) Grade; 3) Filled or vacant status; and 4) Fund source.**

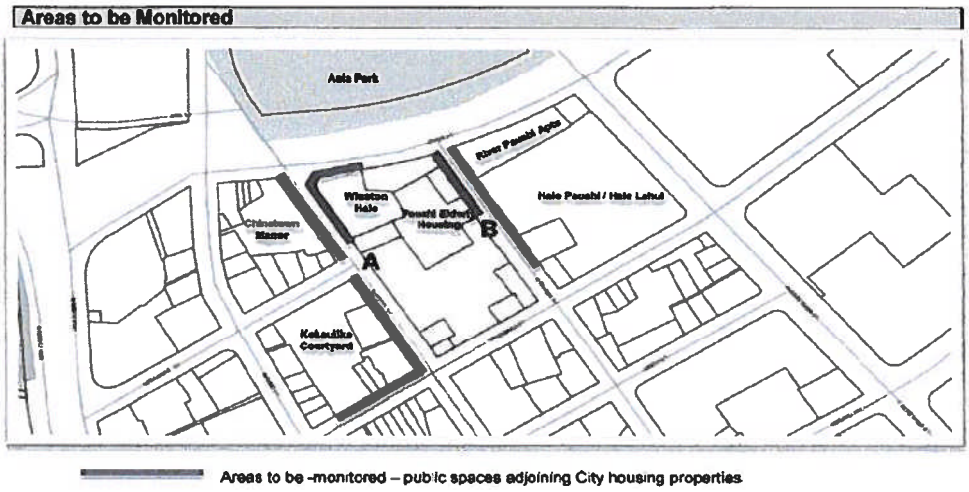
Answer:

The department has 28 FTE's budgeted for FY23. Please see Exhibit 1 for further details.

**Question 11. Security: Where are we providing security guard services in the amount of $450,000?**

Answer:

As detailed in the below graphic, DLM funds private security services for City-owned properties and sidewalks abutting various streets in Chinatown.




| Designation on map | Location |
|---|---|
| **A** | N. Hotel Street (Mauka and Makai) and Maunakea Street, exterior of buildings and sidewalk fronting the following properties:<br>• Winston Hale residential, commercial, and micro units: 1055 River Street<br>• Chinatown Manor: N. Hotel Street<br>• Kekaulike Courtyards: 1016 Maunakea Street |
| **B** | N. Pauahi Street (Mauka and Makai), exterior of buildings and sidewalk fronting the following properties:<br>• River Pauahi Apartments: 1155 River Street<br>• Hale Pauahi/Hale Lahui: 155 N. Beretania Street<br>• Pauahi Elderly Housing: 167 N. Pauahi Street |

**Question 12. Affordable Housing Acquisition methods: Please provide an overview of all the current and potential mechanisms used to acquire multi-family housing units for City inventory, including for example RFP to developer, lease to service provider, and State land transfers.**

Answer:

Potential acquisition mechanisms include: negotiated acquisitions from public/private parties; governmental land transfers (such as an Executive Order from the State of Hawaii); and eminent domain.

Once a property has been acquired into the City's inventory, potential development mechanisms include procurement of a long-term lease to a private developer; and potential operational mechanisms include procurement of a lease to a housing or human service provider.

**DLM – ACQUISITIONS POLICY** **Index Code: 01.1**

| | |
|---|---|
| **Subject:** | DEPARTMENT OF LAND MANAGEMENT (DLM), CITY AND COUNTY OF HONOLULU (CITY), PROCEDURES AND GUIDELINES RELATING TO DLM'S OBLIGATION TO REVIEW AND NEGOTIATE ANY TRANSACTION OR ACTIVITY THAT WILL RESULT IN AN INCREASE TO THE CITY'S REAL PROPERTY INVENTORY AS REQUIRED BY REVISED CHARTER OF THE CITY AND COUNTY OF HONOLULU §§6-1802(e). |

| | |
|---|---|
| **Purpose:** | The purpose of this Policy is to provide procedures and guidance on DLM'S responsibility to review and negotiate any transaction or activity that will result in an increase to the City's real property inventory. |
| **Objective:** | DLM's objective is to provide guidance and assistance to City Departments that desire acquire a real property interest. RCH §6-1802(e). |

**Effective Date:** January 1, 2022

Background: 2016 General Election Charter Amendment Question No. 8 proposed the establishment of a new department with real estate transactions, management, and development expertise. The Charter Amendment was approved and became effective on November 29, 2016 and DLM was created to oversee the protection, development, and management of City real property interests.

Pursuant to the Charter §6-1802(e), DLM will review and negotiate any transaction or activity that will result in an increase to the City's real property interest inventory.

Procedure: City Departments that desire to acquire a real property interest shall comply with the following procedures:

1. If the City Department has identified the particular real property interest, it shall provide DLM with the following information:

    a. Identify the real property interest(s) that the City Department wishes to acquire. The identification shall include:

        i. Tax Map Key and any other property description currently available to the City Department.
        ii. The type of real property interest to be acquired (fee simple, easement, leasehold interest).
        iii. The current owner and lessees.

b. Provide any known deal-makers or deal-breakers for the proposed acquisition.

c. Provide any appraisal and or assessed value of the real property interest.

d. Provide a description regarding the proposed use of the subject real property interest.

e. Specify the source of funds for acquisition and whether there are any funding restrictions. The Department of Budget and Fiscal Services (BFS) must certify that such funds are available for the Project.

f. Specify the City Department that will have jurisdiction and budgeting responsibility over the real property interest following acquisition. Any assignment of jurisdiction other than to the City Department must be approved by the Managing Director and by the recipient City Department.

g. Provide any further information which may affect the acquisition (e.g. timing issues; interim management, etc.).

h. Identification of a person to serve as the coordinator for the City Department.

2. If the City Department has not identified the particular real property interest, it shall provide DLM with the following information:

   a. A set of criteria on the Department's needs for the particular real property interest (e.g. size, general location, improvements, etc.).

   b. Specify source of funds for acquisition and whether there are any funding restrictions.

   c. Provide any further information which may affect the acquisition (e.g. timing issues, programmatic needs, etc.).

3. DLM will evaluate the proposed acquisition. For specific sites, after receipt of the information provided by the City Department, DLM may make recommendations regarding the acquisition, such as:

   a. Suggesting an alternative location that would better suit City Department's needs;
   b. Recommending condemnation of the site; or
   c. Recommending against acquisition, and stating the reason therefor (such as insufficient funding, community, concerns).

   DLM may request that City Department provide additional information.

4. DLM will review and negotiate the acquisition.

Exceptions: The following transactions and activities that will result in the increase to the City's real property interest inventory shall not be not be subject to the above procedures:

1. Real property interests that will come under the City's management and control from another governmental entity.

2. Real property interests dedicated to the City as a required by law (including but not limited to zoning ordinances, subdivision requirements, or park dedication).

3. Foreclosures or bankruptcy actions.

4. Donations (excluding conservation easements) and/or dedications.

5. Leases of less than five (5) years.

6. Condemnation actions (after determination by DLM that negotiated purchase is not possible).

**DLM – MANAGEMENT POLICY** **Index Code 03.1**

| | |
|---|---|
| **Subject:** | DEPARTMENT OF LAND MANAGEMENT (DLM), CITY AND COUNTY OF HONOLULU (CITY), PROCEDURES AND GUIDELINES ON MANAGEMENT OF CITY REAL PROPERTY INTERESTS AS REQUIRED BY REVISED CHARTER OF THE CITY AND COUNTY OF HONOLULU §§6-1802. |

| | |
|---|---|
| **Purpose:** | The purpose of this Policy is to provide procedures and guidance on management of City real property interests to City Departments. |
| **Objective:** | DLM's objective is to provide guidance and assistance to City Departments that desire to manage City real property interests under their jurisdictional control. |

**Effective Date:** January 1, 2022

Background: 2016 General Election Charter Amendment Question No. 8 proposed the establishment of a new department with real estate transactions, management, and development expertise. The Charter Amendment was approved and became effective on November 29, 2016, and DLM was created to oversee the protection, development, and management of City real property interests.

Pursuant to the Charter §6-1802(c), DLM will consult with and advise City Departments on best practices in land management, property management, and conservation and stewardship with respect to City real property interests under the jurisdiction of a City Department. Upon request, pursuant to the Charter §6-1802(d), DLM will develop and implement plans for City real property interests under the jurisdiction of that City Department.

Procedure: City Departments desiring consultation on best practices or development of management plans for City real property interests under their jurisdiction shall comply with the following procedures:

1. Submit a request to DLM which shall include the following:

    a. An identification of the City real property interest (the "Property"), including:
        i. Tax Map Key and any other property description;
        ii. Identification of the City Department with jurisdictional control; and
        iii. The type of real property interest (fee simple, easement, leasehold interest).

    b. A description of the current use and management of the Property.

c. A description of the proposed use and management for the Property, including the goals for the Property (the "Proposal").

d. Specify the source of funds for the Proposal and whether there are any funding restrictions. The Department of Budget and Fiscal Services (BFS) must certify that such funds are available for the Proposal.

e. A statement whether the City Department will implement the management plan (and if so, identification of proposed City Department staff), whether another City Department will implement the Proposal, or whether a third party manager will be procured. Any proposed change in jurisdiction for the Property must be approved by the Managing Director and by the recipient City Department.

f. A list of known City Department processes or policies and procedures that may impact the Proposal.

g. Provide any further information which may affect the planning process (e.g. timing issues; interim management, etc.).

h. A list of specific issues that City Department is requesting management assistance on (creation of adequate reserve accounts for capital improvements; scope of work for a third party property management company, recommended property management companies, etc.).

i. Identification of a person to serve as the coordinator for the City Department.

j. Identification of other City Departments that should be consulted by DLM in connection with its preparation of best practice recommendations or its development of management plans.

2. DLM recommends that the City Department reach out to DLM as early as possible, taking into consideration that the management of City real property interest may also require bidding or other mandatory processes and/or City Council approval.

3. DLM will review the materials submitted by the City Department and will prepare its best practice recommendations and/or develop a management plan (the "Plan"). DLM's process will include the following phases:

   a. Evaluation. DLM staff will evaluate and assess the Property and its suitability for the Proposal.

b. Planning. DLM staff will contact the City Department coordinator and other identified City Departments with additional information requests and for guidance on the City Department's Proposal.

c. Development. DLM staff will prepare the Plan, which will include recommendations on the specific issues identified by the City Department.

d. Implementation. DLM staff will advise City Department on implementation of the Plan (e.g., staff training, record keeping). If required, DLM will host a public hearing as required by RCH §6-1803 to assist with the City Department's implementation of any recommended transaction or activity relating to the Property. Please see the Policy Guidelines on Protection & Development for more information.

**DLM – PROTECTION & DEVELOPMENT POLICY** **Index Code 02.1**

| | |
|---|---|
| **Subject:** | DEPARTMENT OF LAND MANAGEMENT (DLM), CITY AND COUNTY OF HONOLULU (CITY), PROCEDURES AND GUIDELINES ON TRANSACTIONS AND ACTIVITIES RELATING TO THE PROTECTION OR DEVELOPMENT OF CITY REAL PROPERTY INTERESTS AS REQUIRED BY REVISED CHARTER OF THE CITY AND COUNTY OF HONOLULU §§6-1802 AND 6-1803. |

| | |
|---|---|
| **Purpose:** | The purpose of this Policy is to provide procedures and guidance on real estate transactions and activities on certain City real property interests. |
| **Objective:** | DLM's objective is to provide guidance and assistance to City Departments that desire to protect or develop City real property interests. |

**Effective Date:** January 1, 2022

Background: 2016 General Election Charter Amendment Question No. 8 proposed the establishment of a new department with real estate transactions, management, and development expertise. The Charter Amendment was approved and became effective on November 29, 2016, and DLM was created to oversee the protection, development, and management of City real property interests.

Pursuant to the Charter §6-1802, DLM will recommend, review and negotiate transactions or activities that involve the protection, development and management of City real property interests. Charter §6-1803 requires that DLM conduct a public hearing to determine whether such transaction or activity will serve the public interest, and thereafter will prepare a report with specific findings that such transaction or activity serves the public interest. Such report will be to the City Council with a request for approval of the transaction or activity.

Procedure: City Departments that desire to protect or develop City real property interests shall comply with the following procedures:

1. City Department shall develop a conceptual plan for the protection or development of the City real property interest (the "Project"). The conceptual plan shall include:

    a. An identification of the City real property interest (the "Property"), including:
        i. Tax Map Key and any other property description;
        ii. Identification of the City Department with jurisdictional control;
        iii. The type of real property interest (fee simple, easement, leasehold interest);
        iv. The City Council district which it is located within; and
        v. The anticipated instruments needed to accomplish the Project.

b. A description of the Project.

c. Any preliminary plans or reports prepared by or on behalf of the City Department for the Project.

d. A list of potential parties that will be involved, including other City Departments, non-profit organizations, and private parties.

e. Specify the source of funds for the Project and whether there are any funding restrictions. The Department of Budget and Fiscal Services (BFS) must certify that such funds are available for the Project.

f. An analysis as to how the Project would benefit the public interest, including but not limited to: whether the Project would increase affordable or low income housing inventory; reduce fossil fuel dependence; produce renewable energy projects; improve transportation connectivity; increase transportation options for the least mobile in society; increase productive agricultural lands; increase recreation opportunities and open space; provide critical habitat for native wildlife; protect of watersheds; improve the City's fiscal health; and preserve of sacred sites.

g. A statement confirming that the Project is in compliance with the environmental laws of the City, State of Hawaii and the United States of America.

h. A statement whether the City Department will implement the Project (and if so, identification of proposed City Department staff), whether another City Department will implement the Project, or whether a third party provider will be procured. Any proposed change in jurisdiction for the Property must be approved by the Managing Director and by the recipient City Department.

i. Identification of a person to serve as the coordinator for the City Department.

2. The City Department shall submit the conceptual plan to DLM. DLM recommends that the City Department reach out to DLM as early as possible, taking into consideration that the Project may require bidding or other mandatory City processes and/or City Council approval.

3. DLM will review the conceptual plan and will offer recommendations.

4. DLM will host a public hearing as required by Charter §6-1803. All costs relating to the public hearing shall be borne by the City Department. At the public

hearing, City Department will present the Project and conceptual plan, and City Department will be available to answer any questions.

5. DLM will prepare its report and determine whether the Project serves the public interest.

6. DLM will transmit its report to City Council with its recommendation regarding the Project.

7. DLM will negotiate the Project with non-City parties.

Exceptions: The following transaction or activities relating to City real property interests shall not be subject to the above procedures:

1. City real property interests under the jurisdiction of the Department of Parks and Recreation.

2. Use of City real property interests involving another governmental entity.

3. Use of City real property interests that are part of the City Department's regulatory or permitting process.

4. Use of City real property interests that are temporary in nature. (Less than one year.)

5. Use of City real property interests by a City Department in connection with its core duties and responsibilities, as expressed in the Charter.

6. Grants of easements that, in the determination of the DLM Director, are not prejudicial to the best interest of the public.

7. Use of City real property interests under ROH Chapter 28, including leases, concessions, and other facilities uses that, in the determination of the DLM Director, are not prejudicial to the best interest of the public.

8. Renewal or extensions of the use of City property that do not violate any State or City law and that have previously been approved by DLM or City Council.

Submitted by:

Director, Department of Land Management — Date 3-14-18

Reviewed by:

Director, Department of Budget & Fiscal Services — Date 3/28/2018

Approved:

Managing Director — Date 3/30/18

City and County of Honolulu
Department of Land Management
Position Organization Chart

## ADMINISTRATION

Develop, manage, and coordinate use of the City real property assets to maximum potential and/or for policy implementation. Maintain a perpetual inventory of lands owned, leased, rented, or controlled by the City. Develop and implement land management plans as well as conservation and stewardship plans. For properties under the jurisdiction of other executive agencies, act in an advisory role to ensure adherence to best practices in land management.

POSITIONS

| | | |
|---|---|---|
| LM100 | Director | NC |
| LM18-01 | Deputy Director | NC |
| LM105 | Private Secretary II | SR-22 |
| LM110 | Administrative Specialist II | SR-22 |

**ASSET MANAGEMENT DIVISION**

(Chart I)

**ASSET DEVELOPMENT DIVISION**

**FINANCE DIVISION**

Updated: January 31, 2018

EXHIBIT 1

**EXHIBIT 1 - Organization Chart Position Details**

| | Organization - Posting | Pos. No. | Employee | Classification | Grade/ Step | BU | Fund | P/T/C |
|---|---|---|---|---|---|---|---|---|
| | DLM0802-Administration | LM100 | HAYASHI,SCOTT,K | 953310 - Dir Of Land Management | NC00 MIN | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| ADMIN | DLM0802-Administration | LM101 | TASCHNER,CATHERINE,A | 954250 - Dep Dir Of Land Mgmt | NC00 MIN | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM105 | LAGPACAN,ANITES,R | 010181 - Pvt Secretary II | SR22 G | 03P - WC NON-SUPVRY/SUPVRY 03 | 110 - General Fund | P |
| | DLM0802-Administration | LM110 | LAW-TRAN,VIVIANA,S | 020704 - Admin Specialist II | SR22 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| ASSET | DLM0802-Administration | LM120 | ****Vacant**** | 152235 - Land Management Administrator | EM07 MIN | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| MANAGEMENT | DLM0802-Administration | LM121 | OISHI,JILL,M | 010158 - Secretary II | SR14 C | 03P - WC NON-SUPVRY/SUPVRY 03 | 110 - General Fund | P |
| | DLM0802-Administration | LM122 | POKORNY,AMY,B | 020438 - Prop Mgmt Officer | SR26 G | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| Line 1 | DLM0802-Administration | LM123 | GERSON,CHRISTINE, | 020435 - Real Prop Mgmt Spclt III | SR22 D | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM124 | BALGOS-CAMPOS,MARICAR, | 020435 - Real Prop Mgmt Spclt III | SR22 D | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM125 | JONES,NATALIE,V | 020438 - Prop Mgmt Officer | SR26 G | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| Line 2 | DLM0802-Administration | LM126 | ****Vacant**** | 020435 - Real Prop Mgmt Spclt III | SR22 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM127 | LONG,TROFE,L | 020435 - Real Prop Mgmt Spclt III | SR22 G | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| ASSET DEVELOPMENT | DLM0802-Administration | LM130 | ****Vacant**** | 152235 - Land Management Administrator | EM07 MIN | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM131 | HUANG,BIJUN, | 010158 - Secretary II | SR14 C | 03P - WC NON-SUPVRY/SUPVRY 03 | 110 - General Fund | P |
| | DLM0802-Administration | LM132 | ****Vacant**** | 020618 - Planner VI | SR26 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM133 | ****Vacant**** | 020613 - Planner V | SR24 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| Line 1 | DLM0802-Administration | LM134 | ****Vacant**** | 020613 - Planner V | SR24 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM135 | ****Vacant**** | 020613 - Planner V | SR24 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM136 | ALLEN,CLAUDE,W | 020618 - Planner VI | SR26 E | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| Line 2 | DLM0802-Administration | LM137 | ****Vacant**** | 020613 - Planner V | SR24 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM138 | ****Vacant**** | 020613 - Planner V | SR24 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM-18-19 | ****Vacant**** | 020618 - Planner VI | SR26 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM-18-03 | ****Vacant**** | 020213 - Accountant VI | SR26 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM-18-06 | ****Vacant**** | 152304 - Asst. Program Admin. | EM07 MIN | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| FINANCE | DLM0802-Administration | LM-18-07 | ****Vacant**** | 020451 - Hsg Assistance Spclt VII | SR28 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM-18-08 | ****Vacant**** | 020450 - Hsg Assistance Spclt VI | SR26 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM-18-09 | ****Vacant**** | 020450 - Hsg Assistance Spclt VI | SR26 C | 13P - PROF & SCIENTIFIC/EM | 110 - General Fund | P |
| | DLM0802-Administration | LM-18-12 | ****Vacant**** | 010156 - Secretary I | SR12 C | 03P - WC NON-SUPVRY/SUPVRY 03 | 110 - General Fund | P |

| Division | FTE |
|---|---|
| Admin | 4.00 |
| Asset Management | 8.00 |
| Asset Development[1, 2] | 10.00 |
| Finance[1, 2] | 6.00 |
| TOTAL | 28.00 |

[1]Pending reorg

[2]Upon approval of reorg - positions starting with LM-18-XX will need to do a Eform B130 to create authorized position number.

DEPARTMENT OF PLANNING AND PERMITTING
**CITY AND COUNTY OF HONOLULU**
650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8000 • FAX: (808) 768-6041
DEPT. WEB SITE: www.honoluludpp.org • CITY WEB SITE: www.honolulu.gov

RICK BLANGIARDI
MAYOR

DEAN UCHIDA
DIRECTOR

DAWN TAKEUCHI APUNA
DEPUTY DIRECTOR

EUGENE H. TAKAHASHI
DEPUTY DIRECTOR

March 29, 2022

**MEMORANDUM**

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Dean Uchida, Director
Department of Planning and Permitting

Digitally signed by Uchida, Dean
Date: 2022.03.29 16:01:50
-10'00'

SUBJECT: Response to Committee on Budget's Departmental Briefing Questions of March 9, 2022 for the Department of Permitting and Planning.

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached responses.

Attachments

Attachment

**1. Question:**
**Please provide additional detail regarding the FY 22 requested appropriation of $300,000 to administer Bill 1 (2021). Please provide the additional information by incentive; see DPP response in Mayor's Message 60 (2021).**

**Answer:**
Because Bill No. 1 was passed in early 2021, we used $300,000 as a place holder in the event qualified projects would be completed in 2021 so grants could be paid. No project was completed in 2021.

**2. Question:**
1. **Please provide an overview of all the current and potential mechanisms used to acquire multi-family housing units for City inventory, including for example RFP to developer, lease to service provider, and State land transfers.**
**2. Under the line item Other Services - Not Classified on Page 413 of the Line Item Report submitted to the Council, there is an increase of $625,000. Can you please explain what that will be used for?**

**Answer:**
1. This should be a question for DLM.
2. The $625,000 is to be used as follows:
    a. DPP Data Collection and Management = $150,000
    b. Short Term Rental Internet Search = $250,000
    c. Title VI Language Translation Service = $25,000
    d. Scanning of Building Permits = $110,000
    e. Title Searches for Foreclosure Proceedings = $10,000
    f. Clean Up Contractual Services = $40,000
    g. Contested Case Hearing Officers = $40,000

**3. Question:**
**Budget Book, Page 14: "The Mayor is prioritizing and expediting affordable housing plans, permits and projects within the City and County of Honolulu by focusing on efficient and streamlined processing of County, State and private sector developments /permits through a commitment to modernization of government and organizational change within the Department of Planning and Permitting." Is this accurate? Is there a prioritization of affordable projects and no longer FIFO?**

**Answer:**
The Department gives priority to affordable housing projects and helps affordable housing developers through the process for faster permitting and approvals.

**4. Question:**
**What is the status of the e-building permit process? The latest performance metric for DPP states that both commercial and residential permit issuance time increased (see A-16 & A-17 of the Program Book Vol. 1). – What fiscal year does DPP anticipate bringing the e-building permit process fully online/operational?**

**Answer:**
We are working towards requiring all residential and commercial building applications and permits to be on-line through ePlans by the end of 2022.

**5. Question:**
**In Mayor Blangiardi's FY 22 State of the City presentation, he shared the DPP would be launching a new platform for comprehensive permitting process efficiency. There was no FY 22 budget request for this new platform. Please identify, by budget activity and object code, in the FY 23 budget where a requested appropriation for the new platform is reflected.**

**Answer:**
The new building permit application process is being funded using ARPA funds, which were approved by the awards committee on March 11, 2022, to modernize our current permitting soft l recovery plan.

**6. Question:**
**What is the status of the "Short Term Rental Enforcement Program?" The DPP stated Program rules would be adopted by Summer of 2021. Specifically, were the 5 FTEs added by Ord 19-18 funded and hired?**

**Answer:**
Ordinance 19-18 provided seven (7) positions for STR enforcement, which DPP was unable to hire for because the positions were not funded. DPP decided to amend Ordinance 19-18 early in 2021 because of flaws and potential issues with the implementation of Ordinance 19-18, and therefore halted the rulemaking process. DPP continues to enforce against illegal STRs but is hopeful that with the passage of Bill 41 (2021), DPP will have better enforcement powers and the seven positions will be funded.

**7. Question:**
**What can be done to improve the efficiency and output of the processing of building permits? In FY21, the average Commercial permit issuance time was 222 days, a 7% increase from FY20; and Residential permit issuance time was 131 days, a 3% increase from FY20. In his presentation to the Council, Director Kawano mentioned that strengthening operations of DPP is a priority. a. What improvements will DPP be implementing to increase efficiencies within the department to decrease the processing time for building permits?**

**Answer:**
DPP, using ARPA funds, will replace the existing building permit process which was created in 1998, with a new out of the box system that is being used throughout municipalities on the mainland and in Canada to expedite and streamline permitting, and provide greater transparency for applicants and the public. DPP is also reviewing its standard operating procedures to ensure greater efficiencies throughout the permitting process.

**8. Question:**
**Please provide greater detail as to why the Department cannot hire contract positions using vacant FTEs (that may have been previously filled through the civil service process), per the DPP Director's testimony on March 9. If DPP is not the City's lead on this subject topic, please provide an answer to this request for information by the appropriate department**

**Answer:**
DPP does hire contract positions in some cases but in most cases is required to go through the recruitment process because most of the types of positions that DPP is looking to fill are established civil service positions.

**9. Question:**
**DCS transferred two FTEs from its Community Assistance budget activity, please provide the DPP budget activity that received the two FTEs. Additionally, please provide the classification title, grade, and base salary amount.**

**Answer:**
The two Planner positions were originally provided by DPP to DCS to help with their affordable housing program under prior administrations. DCS informed us that they did not need the additional positions. Thus, the positions are being returned to DPP to support DPP's affordable housing efforts.

**10. Question:**
**Please provide greater detail regarding the DPP's 3-year Master Plan, including, but not limited to: 1) A proposed new Department organization chart, which includes the all 37 new requested FTEs organized by the new proposed branch/divisions and denotes which FTEs (including current FTEs) are vacant. Please also include the funding source, such as GN or FG (ARPA). 2) A year-by-year goal plan that covers the lifespan of the 3-year Master Plan; 3) A projected/estimated budget request for FY 24 and FY 25 (i.e., the length of the 3-years). 3) Please provide an overview of the new branch/divisions being proposed or planned; especially the new units requesting new FTEs in the FY 23 budget (see page A-2 of the Budget Issues document).**

**Answer:**
See attached.

**11. Question:**
**For Administration, OC #3004 Consultant Services, can you please explain what the $1,006,431 POSSE 7 (Winchester) Upgrade and Support is for? a. What is the duration of this consultant services contract?**

**Answer:**
Funding is used to support the effor E permitting system to utilize current and advanced technological capabilities of the POSSE Winchester, (aka POSSE Web) software. DPP has migrated existing permitting workflows to the POSSE Winchester platform. This funding will support the upgrade and modifications of the existing permitting workflows (aka jobs) to streamline permitting operations. POSSE Winchester has advanced web based capabilities and functionality that need to be incorporated into existing operations to enable better tracking of permitting times, improved customer interfaces to permit status and data, enhanced financial management of permitting revenues, and greater use of electronic plan review. Funding would provide for acquisition of technical support services and resources for implementing improvements. Length of services is approximately 12-18 months.

**12. Question:**
**For Administration, OC #3009 Other Services-Not Classified, can you provide information on what the $900,000 for Consultant for Organization Restructuring, Reengineering, Workload Review, Automation, is for? a. How is this going to assist your department's operations?**

**Answer:**
The $900,000 will be used to hire a Project Management Team to manage and monitor the multiple contracts being funded thru ARPA which include: establishing the position descriptions, standard operating procedures, policies, workflow and processes for the a) Short Term Vacation Rental Enforcement Branch; b) SMA/Shoreline Branch; c) the New Housing Division; and d) the installation of the new electronic building permit processing system.

**13. Question:**
**Does DPP plan to move forward with managed retreat as a way to protect residents whose homes are threatened by shoreline erosion?**

**Answer:**
DPP plans on using ARPA funds to prepare a study/plan for Managed Retreat. The goal is to provide sufficient appropriately zoned land for the existing properties impacted by sea level rise to relocate to over time. The study/plan will also allow government and utilities to plan for relocation of infrastructure.

**14. Question:**
**One of the main things you've constantly said is that DPP will be undergoing a modernization of its software and hardware. I see under the DPP Administration line items that there is an additional $66,091 for computer upgrades over last year's budget as well as $40,000 over last year's budget for maintenance. Do those line items encapsulate DPP's upgrades? If yes, is that sufficient? If no, where can we find the upgrades and modernization initiatives budgeted?**

**Answer:**
The cost of the modernization is being funded using ARPA funds. We are in the process of preparing a Request for Proposal (RFP) to modernize the electronic processing of building permit applications. The budgeted items would cover replacement of some existing equipment and renewal of various software licenses.

**15. Question:**
**The City has 8 Neighborhood and Area TOD plans (Aiea-Pearl City, Airport, Ala Moana, Downtown, East Kapolei, Halawa, Kalihi, and Waipahu); and all the plans have been adopted by the Council. So far, we have only codified the Zoning and Height Limits and Special District Regulations for the Waipahu Neighborhood TOD plan area (bills were adopted in 2017). Although we want to be careful to not rush through any changes, by approving the LUO amendments and zone changes, we allow the landowners in the TOD zones to be able to start planning for development and re-development that could activate and improve the neighborhoods along the rail corridor. a. What is the timeframe for your department to submit to the Council bills for LUO amendments and zone changes for the remaining TOD plan areas?**

**Answer:**
Each adopted Neighborhood TOD Plan includes maps with recommended zoning, potential maximum height, and density. But the actual parcel-by-parcel zoning takes longer to prepare, with more input from property owners. We started developing the Neighborhood TOD Plans (and subsequently the TOD zoning) at the East Kapolei end of the rail line, where rail construction started. The Waipahu/West Loch station areas were up first for re- zoning since 1) the Waipahu Neighborhood TOD Plan was one of the first adopted; 2) development in East Kapolei was already entitled/under way at Hoopili under an already-approved Unilateral Agreement (which functions like re-zoning) aligned with the draft EK TOD Plan; 3) since the large state parcels in East Kapolei had not yet been master planned, we held off on finalizing/adopting the EK TOD Plan till the state could plan/program their parcels (this was completed and the EK TOD Plan adopted in 2021). We completed the draft TOD zoning and special district ordinance (SDO) revisions, and had public meetings for the Aiea-Pearl City TOD Plan, and have drafted the Kalihi zoning. Due to more awareness and required planning for sea level rise (SLR) per a 2018 Mayor's directive to incorporate SLR in city projects, we took time to research and map which parcels in the TOD areas might be affected (relatively small areas in a few plans), and whether/when/how to include those parcels

in the TOD zoning. We finished that analysis and plan to introduce the draft Pearl City-Aiea zoning and SDO to Planning Commission in Spring 2022. We also expect to introduce draft TOD zoning and SDO revisions in 2022 for the East Kapolei and Halawa TOD areas, with most of the remaining areas completed in 2023. Since the Interim Planned Development-Transit (IPD-T) permit is available in all the TOD areas (f lots or more), and essentially acts like re-zoning, developers are already able to access TOD zoning for large projects in all the station areas. Most market interest so far has been in the Ala Moana area, but there are also major public and private developments in planning/design in the Downtown, Iwilei, Kalihi, Pearl Harbor, Halawa, Pearlridge, Waipahu, and East Kapolei areas. Several other large TOD and affordable housing projects have been approved or are in design via the 201H process.

Department of Planning and Permitting
Narrative of the Department's Three (3)-Year (FY2022 – FY2024) Master Plan
March 16, 2022

I. **OBJECTIVE**: As one of the Mayor's highest priorities, the Department of Planning and Permitting's (DPP) three (3) year plan is to improve the delivery of public services by:

1) Adding 37 positions in FY2023 and 43 positions in FY2024 to help reduce plan reviews, development reviews, and permitting backlogs and manage the projected increasing requests and other demand for services, as well as the new division and branch operations in 2), 6), and 7) below. (Proposed General Funds)

2) Establishing a Short-Term Rental Enforcement Branch under the Customer Services Division, which is proposed to be renamed as the Compliance and Enforcement Division. Consulting services will be procured to help set up the branch structure, establish required position classifications, document best practice policies and procedures, oversee and assist with the new branch operations for up to 9 months, and training of department personnel. (Proposed American Rescue Plan Act or ARPA Funds)

3) Procuring and hiring a consultant to perform an organization review, workload study, proposed restructuring, position classifications and reclassifications, developing best practice standard operating procedures, manages and integrates all of the other consultants' work to the department's proposed structure that leads to an efficient and highly performing department. (Proposed ARPA Funds)

4) Procuring and hiring contractor(s) that develop and implement new and/or improved systems such as the land management system that improves the department's process flows and outputs through automation, including updated equipment. The need to document and/or establish "Standard Operating Procedures" is essential to improving the workflow at DPP. None of the Divisions within DPP have standard operating procedures. These contractor(s) will provide updates to the overall consultant identified in item 3) above. (Proposed ARPA Funds)

5) Working with the Department of Human Resources and the recently executed City Staffing Agency Master Agreement to improve the timeliness of filling vacant positions and determining the appropriate position classifications to better stabilize movements and provide for upward mobility. (Proposed General Funds)

6) Establishing a Coastal Management/Sea Level Rise Branch within the Land Use Permit Division that addresses the impacts of climate change. Consulting services will be procured to help set up the branch structure, establish required position classifications, document best practice policies and procedures, oversee and assist with the new branch operations for up to 9 months, and train department personnel on the new policies and procedures. The consultant will also develop and issue a managed retreat plan to address sea level rise shoreline issues that jeopardize residents' safety; for FY2024 and beyond. (Proposed ARPA Funds)

7) Establishing a Housing Finance Development Division that finances much needed housing, especially affordable housing developments. Until a working division is established under the Administration, procuring and hiring a consultant to fulfill the requirements of the division is part of DPP's master plan. Consulting services will be procured to help set up the branch structure, establish required position classifications, document best practice policies and procedures, oversee and assist with the new branch operations for up to 9 months, and train department personnel on the new policies and procedures. (Proposed ARPA Funds)

8) Hiring of up to 10 individuals through personal services contracts to assist with the monitoring and executing recommendations of the consultants in 2), 3), 4), 6), & 7) above, including among other things, reviewing and analyzing contract budgets, processing payments, monitoring contract provisions and outcomes, implementing and executing new position classifications,

processing new organization documents and consultations with employee organizations, establishing a central repository for all of the newly documented standard operating procedures, resolving issues with the public, as appropriate, and others. (Proposed ARPA Funds)

9) Maximizing net revenues through fees, billing, enforcement, and collection efforts. (Proposed General Funds and/or Special Funds: Initial short-term rental application fee revenue of approximately $5M based on 5,000 short-term rental units with an estimated annual renewal fee revenue of about $10M)

NOTE: The total estimated cost for the consultant and contractor services required in items 1) through 8) above is about $15 million in ARPA Funds, and $1.46 million in General Funds)

## II. **CURRENT STATUS / ISSUES**:

1) DPP is currently comprised of six divisions: Administration (includes the Transit-Orient Development Division), Building, Planning, Land Use Permits, Site Development, and Customer Services. The following provides information on long-standing and current issues, preliminary reorganizational plans that will mitigate or overcome these issues, staffing and other resource needs to improve operations that eliminate backlogs and sustain future public services, and projected outcomes for each division and branch that will require specific budgeting considerations as identified in the subsequent requests over the next three years.

   1. Administration Division – The Administration Division provides the overarching policy and administration of the department and includes the Director, Deputy Directors, information officer, administrative services officer, and Honolulu Land Information System (HOLIS).

      After a year of assessing DPP, along with the various past audits on the department, the DPP Administration has determined that a further analysis, assessments, planning, reorganizing, establishing proper controls, executing and monitoring of performance standards, improving automated processes and systems, enhanced revenue generating efforts, and meeting all public service demands need to be effectuated to make DPP fully functional and effective.

      The addition of 4 executive assistants, an innovation director and assistant innovation director shall assist with the continuous reengineering processes and policies across the department. With the proposed reorganization plans, consultant review and recommendations, the size and complexity of DPP, and increasing public demands also require a human resource/personnel specialist to assist with the classification reviews, salary ranges, position descriptions, employee organization consultations and communications, and others. Furthermore, a budget analyst is needed to help with the constant budgeting and fiscal needs, and assist with formulating and monitoring of performance standards of DPP's multi-million dollar operating budget.

   2. Building Division – The Building Division administers and enforces the City's building, electrical, plumbing, housing, zoning codes, the energy conservation ordinance, sidewalk, driveway, grading, National Pollutant Discharge Elimination System (NPDES), and other related laws in conjunction with building permit applications. The Building Division is comprised of five branches: Building Code, Electrical Code, Mechanical Code, Research, and Zoning Plan Review.

      According to the State Department of Economic Development and Tourism, the construction industry performed well during the pandemic. In 2020, total construction put in place as measured by the contracting tax base reached a historic high of $9.8 billion. During the first 7 months of 2021, the total value of construction completed was $5.9 billion, a 4.7 percent increase from the same period in 2020.

During the first 10 months of 2021, the value of private building permits issued by the county building departments increased 29.6 percent of which the value of residential building permits increased 90 percent while the value of commercial and industrial permits, and additions and alterations building permits decreased 5.9 percent and 4.9 percent, respectively. The increase in residential permit value was high enough to offset the decrease in the other two categories.

The number of residential home units authorized by the county building departments increased to 4,281 units during the first 3 quarters of 2021 compared to 1,916 units authorized during the same period a year ago-a 123.4 percent increase. Of the total authorized units during the first 9 months this year, 40.9 percent or 1,751 were single family units and 49.1 percent or 2,530 were condominium units.

The Building Division is severely understaffed, in part, from not growing staff proportionate to the increase in number of permits and permit types and complexity over the years. In the last two decades, the number of building code, electrical code and mechanical code reviewers has remained at two positions each, while permits have increased exponentially. This has created a backlog of approximately 5 – 6 months.

Since the Department was created in 1998 there have been significant revisions to the national electrical, mechanical, building and energy codes which are updated/revised every three (3) years. This has resulted in more complex reviews of building plans to insure compliance with the updated codes. While the volume of permits may fluctuate year to year depending on the market, the complexity of the code compliance reviews have increased significantly over the years.

In 2004, the DPP created the Third Party Review (TPR) program to allow for review of plans and permits by private entities, which now handle approximately 80 percent of the building permit application volume. The TPR program is ineffective because it has proven to require supplemental review by DPP and is ripe for abuse, and therefore will be phased out as DPP builds sufficient internal capacity to review permits.

The DPP reorganization will move the Permit Issuance Branch (PIB) from the Customer Services Division (CSD) to the Building Division as a more logical fit of including application and issuance of permits with the administration of codes. In turn, CSD will house all compliance and enforcement and be re-labeled the Compliance and Enforcement Division.

The Master Plan will fill 22 current positions and add 41 new positions to address the permit backlog, phase out the TPR program, and significantly decrease the permit processing times. According to the department's latest report in February 2022, forty (40) percent of applications for commercial and residential permits took at least 1 year or more to complete. Faster more efficient permitting will result in more predictable and less costly development, greater development, and an increase in property taxes and revenues to the City.

One of the Administrations priorities is to increase the supply of housing at all price points. As changes are made to the various Ordinances and Rules governing the development of housing, we anticipate a significant increase in the number of building permits being processed. Also, as improvements are made to the building permit application process, we anticipate an overall increase in building permit applications being filed as the risk and uncertainty that plagues the exiting building permit application process will be eliminated. This should also reduce the amount of "unpermitted" construction work as the process to obtain a building permit will be simplified.

3. Housing Division – DPP seeks to add a new Housing Division to specifically address the City's housing crisis, focusing on streamlining and improving the development of affordable housing, while optimizing the production of housing at all price points.

Based on DPP's *Annual Report on the Status of Land Use on Oahu (2021)*, the City needs the following units each year based on the projected population:

55,600 new units needed by 2030
28,000 new units needed by 2020
27,600 new units during the 10 years

27,600 units / 10 years = 2,760 housing units needed each year.

The *Hawaii Housing Planning Study* (2019) estimated that the demand for affordable units (up to 140 percent AMI) is 86.9 percent.

2,760 housing units
x 86.9%
2,400 affordable housing units needed each year.

The Housing Division would administer the private activity bonds (that attracts investors because of its higher yields because of its tax treatment) and general excise tax exemption programs, which are proven methods to raise capital for affordable housing developments. These programs that recently completed the administrative rules process will require staff to process applications, review projects, and provide monitoring.

The establishment of the Housing Division and its programs will help to address the housing crisis more effectively by providing incentives and streamlining of affordable housing projects to tackle the 2,760 housing units needed each year over the next ten years, of which 2,400 housing units each year must be affordable (140 percent AMI and lower).

As stated earlier, one of the Administrations priorities is to increase the supply of housing at all price points. As changes are made to the various Ordinances and Rules governing the development of housing, we anticipate a significant increase in the number of permits for new housing projects. We anticipate more projects being filed under the State's 201h program for eligible affordable housing projects. The City is revising its rules to use the City's 201h program "incentive" based to attract more developers of affordable housing projects. 201h and other approvals for affordable housing projects are currently being processed by either the Planning Division or the Land Use Permits Division. Centralizing the affordable housing review and approvals in the Housing Division will streamline the permitting process and allow the other Divisions to focus on other Planning and Land Use initiatives such as Sea Level Rise, Managed Retreat, and transfer development rights.

4. Short Term Rental Enforcement Branch – Under the Compliance and Enforcement Division, the Short Term Rental Enforcement Branch (STREB) shall be established to bring under control short-term vacation rentals (STRs) more effectively. Under Ordinance 19-18, seven positions were created but not funded for STR enforcement. DPP will contract services to "scrub" online sites for illegal STRs and to provide data as part of STR enforcement.

   The STREB will serve to crack down on the estimated 14,000 illegal STRs throughout the Island that disrupt our residential neighborhoods, displace long-term housing for local residents, and drive housing values up in contradiction to maintaining housing affordable for local residents.

   The STREB will also generate revenues to the City by requiring STR application fees ($1,000) and annual renewal fees ($2,000) for an estimated 5,000 STR applications or $5 million in initial application fee revenue and $10 million in annual renewal fee revenues.

5. Coastal Management/Sea Level Rise Branch – Under the Land Use Permits Division, the Coastal Management/Sea Level Rise Branch (CM/SLR) shall be established to address the ongoing and forthcoming effects of climate change and SLR throughout our Island. It is estimated that sea levels will rise 3.2 to six feet by the end of this century, requiring

organized and deliberate attention to relocation of infrastructure, design for flooding, and optimization of land uses.

Act 16, SLH 2020 changed the Special Management Area (SMA) laws to require all single family residences, existing and new, to obtain a Special Management Area permit prior to initiating any work. This law has resulted in a 60% increase in the number of SMA permits processed by the Land Use Permitting Division and a 100% increase in the number of Environmental Assessments reviews/approvals. This additional work load is being absorbed by the existing staff resulting in processing delays in other permits/reviews conducted by this Division.

2) Current Authorized Position Count by Division and/or Branch:
   i. Administration: 13
   ii. Building Division: 116 (1)
   iii. Customer Services Division: 76 (2)
   iv. Honolulu Land Information System: 21
   v. Land Use Permits Division: 23 (1)
   vi. Planning Division: 26 (1)
   vii. Site Development Division: 71
   viii. Transit-Oriented Development Division: 7

   () – Deactivated position counts.

3) Vacancy rate as of January 2022: 22% (78 vacancies out of 358 authorized positions)
   ix. Administration: 10 (includes Honolulu Land Information System positions)
   I. Building: 22
   II. Customer Service: 16
   III. Land Use: 3
   IV. Planning: 8
   V. Site Development: 19

   Over the last 10 years from FY2011 to FY2021, the vacancy rates ranged from about 15 percent to 28 percent. Until the organization goes through an extensive review and evaluation, and positions classified and priced properly, with upward mobility, the vacancy rate is anticipated to be within the historical range.

4) DPP has inadequate resources that can be dedicated to implementing a new updated land management system creating delays in its roll out and potential increasing costs.

5) Under the Land Use Permits Division, a Coastal Management/Sea Level Rise Branch (CM/SLR) shall be established to address the ongoing and projected impact of climate change and SLR throughout our Island. It is estimated that sea levels will rise 3.2 feet to 6 feet by the end of this century, requiring organized and deliberate attention to relocation of infrastructure, design for flooding, and optimization of land uses.

6) Increased and routine training for code amendments and replacing antiquated equipment to improve operational efficiencies are included in the master plan.

III. **BUDGET AND ABOVE CEILING REQUESTS**:

| Description | General Funds | Sewer Funds | Highway Funds | Total Adjusted FY2022 (Base for Proposed FY2023) | Above Ceiling Request FY2023 | Above Ceiling Request FY2024 |
|---|---|---|---|---|---|---|
| | | | | | | |
| Salaries | $14,949,533 | $1,232,340 | $2,448,390 | $18,630,263 | (1)$1,455,924 | (1)$5,239,235 |
| Current Expenses | $4,476,162 | $171,800 | $221,617 | $4,869,579 | $1,051,494 | $137,066 |
| Equipment | | | | | | |
| Total | $19,425,695 | $1,404,140 | $2,670,007 | $23,499,842 | $2,507,418 | $5,376,301 |

(1) Note: First year partial funding (FY2023) request for 37 new positions containing 13 positions in the new division and branches that anticipate a ¾-year delay in hiring attributed to the time period for consultants to complete the new organization structure and perform operations with best practice procedures for up to 9 months, and the time required for classifying these new positions, developing the position descriptions and executing a routine open, competitive recruitment and training. The remaining 43 positions have a 1/4 year delay in hiring, except those positions going through the recruitment process or anticipated to be recruited for by the end of FY2022. See table below for FY 2023 details. FY2024 includes all 80 new positions' (the 37 in FY2023 & 43 with an anticipated ¼ delay in FY2024) annual and partial annual salary.

| LEVEL 7 Organization - Posting | Classification Code | Classification Title | Grade/ Step | BU (Only for Permanent and Temporary) | Type of Position Permanent - P Temporary - T Contract - C | F' | Base Sala | ABS Salaries To Be Enter | Per Quarter = 3 months | 2 Quarters = 6 months | 3 Quarters = 9 months | Comments |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| DPP1102-Administration | 020010 | Human Resources Specialist V | SR24 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 62,136 | 46,602 | 15,534 | 31,068 | 46,602 | |
| DPP1102-Administration | 152303 | Program Administrator | EM08 MIN | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 111,072 | 27,768 | 27,768 | 55,536 | 83,304 | •Need new Level 5 Org Code and Level 7 Org Code |
| DPP1102-Administration | 010160 | Secretary III | SR16 C | 03P - WC NON-SUPVRY/SUPVRY 03 | P | 1.00 | 44,496 | 11,124 | 11,124 | 22,248 | 33,372 | •Housing Division (New) |
| DPP1102-Administration | 020623 | Planner VII | SR28 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 75,588 | 18,897 | 18,897 | 37,794 | 56,691 | •No "Branch Chief" classification; equivalent to Planner VII<br>•Housing Development/Redevelopment Branch (New) |
| DPP1102-Administration | 020623 | Planner VII | SR28 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 75,588 | 18,897 | 18,897 | 37,794 | 56,691 | •No "Branch Chief" classification; equivalent to Planner VII<br>•Housing Finance Branch (New) |
| DPP1102-Administration | 020623 | Planner VII | SR28 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 75,588 | 18,897 | 18,897 | 37,794 | 56,691 | •Need new Level 7 Org Code<br>•No "Branch Chief" classification; equivalent to Planner VII<br>•SMA-CZM-Sea Level Rise/Flooding Branch (Policy) (New) |
| DPP1102-Administration | 020618 | Planner VI | SR26 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 67,200 | 16,800 | 16,800 | 33,600 | 50,400 | •Need new Level 7 Org Code<br>•SMA-CZM-Sea Level Rise/Flooding Branch (Policy) (New) |
| DPP1102-Administration | 010760 | Cust Service Rep I | SR11 C | 03P - WC NON-SUPVRY/SUPVRY 03 | P | 1.00 | 36,564 | 27,423 | 9,141 | 18,282 | 27,423 | •Need new Level 7 Org Code<br>•HOLIS CSD - DAIB - Move Existing Branch |
| | | | | | ADMIN FTE | 13.00 | $ 548,232.00 | ADMIN SALARIES | | | | |
| | | | | | | | $ 186,408.00 | 1. SALARIES TO BE ENTERED INTO ABS | | | | |
| | | | | | | | $ 46,891.00 | 2. ADMIN FTE - Office Equip | | | | |
| | | | | | | | $ 900,000.00 | 3. o/c 3049 | | | | |
| | | | | | | | $ 1,133,299.00 | TOTAL (1+2+3) | | | | |

Added 5 FTE's to total ADMIN FTE count as these pos. are not "new" (e.g., different source of fund, existing, and/or CS-C1).

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| DPP1124-Subdivision Branch | 152304 | Asst. Program Administrator | EM07 MIN | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 105,792 | 79,344 | 26,448 | 52,896 | 79,344 | •Need new Level 7 Org Code<br>•Site Development Division - Administration (New) |
| DPP1124-Subdivision Branch | 020618 | Planner VI | SR26 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 67,200 | 50,400 | 16,800 | 33,600 | 50,400 | •Need new Level 7 Org Code<br>•SubDivision - National Flood Insurance Program, Community Rating Systems Section (New) |
| | | | | | SITE DEVELOPMENT FTE | 2.00 | $ 172,992.00 | SITE DEVELOPMENT SALARIES | | | | |
| | | | | | | | $ 129,744.00 | 1. SALARIES TO BE ENTERED INTO ABS | | | | |
| | | | | | | | $ 7,214.00 | 2. SITE DEVELOPMENT FTE - Office Equip | | | | |
| | | | | | | | $ 136,958.00 | TOTAL (1+2) | | | | |
| DPP1152-Customer Service - GF | 020623 | Planner VII | SR28 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 75,588 | 18,897 | 18,897 | 37,794 | 56,691 | •Need new Level 5 Org Code and Level 7 Org Code<br>•Compliance and Enforcement Division (Formerly Customer Service Division)<br>•STR Enforcement Branch (New) |
| DPP1152-Customer Service - GF | 070874 | Investigator IV | SR26 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 67,200 | 16,800 | 16,800 | 33,600 | 50,400 | |
| DPP1152-Customer Service - GF | 070873 | Investigator III | SR24 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 62,136 | 15,534 | 15,534 | 31,068 | 46,602 | |
| DPP1152-Customer Service - GF | 070873 | Investigator III | SR24 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 62,136 | 15,534 | 15,534 | 31,068 | 46,602 | |
| DPP1152-Customer Service - GF | 070873 | Investigator III | SR24 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 62,136 | 15,534 | 15,534 | 31,068 | 46,602 | |
| DPP1152-Customer Service - GF | 070873 | Investigator III | SR24 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 62,136 | 15,534 | 15,534 | 31,068 | 46,602 | |
| DPP1152-Customer Service - GF | 050514 | Plans Examining Engineer V | SR26 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 67,200 | 50,400 | 16,800 | 33,600 | 50,400 | •Need new Level 7 Org Code<br>•Currently no Plans Examining Engineer V; highest level is Plans Examining Engineer IV<br>•No salary rate of $82,308 for SR26; base level Step C is $67,200<br>•Plans Examining Section (Commercial) (New) |
| DPP1152-Customer Service - GF | 050514 | Plans Examining Engineer V | SR26 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 67,200 | 50,400 | 16,800 | 33,600 | 50,400 | |
| DPP1152-Customer Service - GF | 050514 | Plans Examining Engineer V | SR26 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 67,200 | 50,400 | 16,800 | 33,600 | 50,400 | |
| DPP1152-Customer Service - GF | 050514 | Plans Examining Engineer V | SR26 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 67,200 | 50,400 | 16,800 | 33,600 | 50,400 | |
| DPP1152-Customer Service - GF | 050514 | Plans Examining Engineer V | SR26 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 67,200 | 50,400 | 16,800 | 33,600 | 50,400 | |
| | | | | | COMPLIANCE AND ENFORCEMENT FTE | 11.00 | $ 727,332.00 | COMPLIANCE AND ENFORCEMENT SALARIES | | | | |
| | | | | | | | $ 349,833.00 | 1. SALARIES TO BE ENTERED INTO ABS | | | | |
| | | | | | | | $ 39,677.00 | 2. COMPLIANCE AND ENFORCEMENT FTE - Office Equip | | | | |
| | | | | | | | $ 389,510.00 | TOTAL (1+2) | | | | |

NOTE: $389,513 - revised amount due to rounding of Planner VII from $18,897 to $18,900

| | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| DPP1812-Building Division Administration | 152304 | Asst. Program Administrator | EM07 MIN | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 105,792 | 79,344 | 26,448 | 52,896 | 79,344 | •Need new Level 7 Org Code<br>•Building Division Administration - Administration (New) |
| DPP1812-Building Division Administration | 070363 | Sr Building Insp | SR21 C | 03P - WC NON-SUPVRY/SUPVRY 03 | P | 1.00 | 54,108 | 40,581 | 13,527 | 27,054 | 40,581 | •Need new Level 7 Org Code<br>•NPDES Branch - NPDES Inspection |
| DPP1812-Building Division Administration | 070363 | Sr Building Insp | SR21 C | 03P - WC NON-SUPVRY/SUPVRY 03 | P | 1.00 | 54,108 | 40,581 | 13,527 | 27,054 | 40,581 | |
| DPP1812-Building Division Administration | 070360 | Bldg Insp | SR19 C | 03P - WC NON-SUPVRY/SUPVRY 03 | P | 1.00 | 50,016 | 37,512 | 12,504 | 25,008 | 37,512 | |
| DPP1812-Building Division | 070360 | Bldg Insp | SR19 C | 03P - WC NON-SUPVRY/SUPVRY 03 | P | 1.00 | 50,016 | 37,512 | 12,504 | 25,008 | 37,512 | |
| DPP1812-Building Division Administration | 050514 | Plans Examining Engineer V | SR26 C | 13P - PROF & SCIENTIFIC/EM | P | 1.00 | 67,200 | 50,400 | 16,800 | 33,600 | 50,400 | •Need new Level 7 Org Code<br>•Currently no Plans Examining Engineer V; highest level is Plans Examining Engineer IV<br>•No salary rate of $82,308 for SR26; base level Step C is $67,200<br>•NPDES Branch - NPDES Inspection |
| | | | | | BUILIDING ADMIN FTE | 6.00 | $ 381,240.00 | BUILIDING SALARIES | | | | |
| | | | | | | | $ 285,930.00 | 1. SALARIES TO BE ENTERED INTO ABS | | | | |
| | | | | | | | $ 21,642.00 | 2. BUILDING FTE - Office Equip | | | | |
| | | | | | | | $ 307.572.00 | TOTAL (1+2) | | | | |

NOTE: $307.578.00 - revised

| | | | |
|---|---|---|---|
| YEAR ONE NEW FTE | 37.00 | $ 1,455,915.00 | SALARIES TO BE ENTERED INTO ABS** |
| YEAR ONE FTE* | 42.00 | $ 151,494.00 | YEAR ONE FTE CE - Office Equip |
| | | $ 900,000.00 | YEAR ONE - CE Consultant Services |
| | | $ 2,507,409.00 | YEAR ONE TOTAL (SALARIES + CE) |

Note(s):

*Two (2) EA CS-C1, one (1) Innovation Director, one (1) Asst. Innovation Director to be funded by ARPA; one (1) STR Clerk Typist already created. Five (5) FTE not included on list however total count of 42 FTE in Year One.

**No Fringe Rates included.

## VI. **OTHER INFORMATION**:

| Division | Authorized (Includes Deactivated & Other Funded) Positions FY2022 | New Positions FY2023 | New Positions FY2024 | Total Proposed Positions 3-Year Period | Total Personal Services Budget Request FY2023 |
|---|---|---|---|---|---|
| Administration (Includes HOLIS and Housing | 34 | 8 | 18 | 60 | $2,318,491 |
| Building | 117 | 16 | 20 | 153 | $6,832,089 |
| Customer Service (2 positions to transfer to Land Use) | 78 | 11 | -2 | 87 | $3,368,630 |
| Land Use | 24 | 0 | 6 | 30 | $1,401,222 |
| Planning | 34 | 0 | 0 | 34 | $1,835,810 |
| Site Development | 71 | 2 | 1 | 74 | $4,329,945 |
| Total | 358 | 37 | 43 | 438 | $20,086,187 |

Table of 3-Year Workplan:

| Description | FY2022 | FY2023 | FY2024 |
|---|---|---|---|
| 1. Hire consultant – Organization review | Issue RFP. Award contract. | Complete consultant work by January 2023. | |
| 2. Hire consultant – Automation upgrade | Issue RFP. Award contract. | Automation upgrade in progress. | Complete automation upgrades by July 2023. |
| 3. Fill vacant and new positions | Work with DHR and Staffing Agency Master Agreement to fill 29 vacant positions. | Work with DHR and Staffing Agency Master Agreement to fill 49 vacant positions. Recruit 13 positions in the new agencies (out of the 37 requested) primarily in the last quarter of the fiscal year under a temporary organization structure. Twenty-one new positions for current agencies are anticipated to be filled in the 2nd quarter of this | Recruit 43 new positions under temporary organization structure for a portion of the fiscal year with the new organization structure implemented in the second or third quarter of FY2024. |

| Description | FY2022 | FY2023 | FY2024 |
|---|---|---|---|
| | | fiscal year, and 3 new positions in Administration are currently going through the recruitment process and is budgeted for the entire fiscal year. | |
| 4. Reorganization | Develop key components and issues covering the reorganization of the department. | Draft reorganization plans considering consultant recommendations – work with DHR, BFS, MDO, employee organizations. | Continue and complete reorganization plans in the second or third quarter of FY2024. |
| 5. Hire consultants to assist with new division and branches until they are established and operational. | Issue RFP. | Award contracts. Consultants perform work to set up agencies, oversee operations, and train new employees through June 2023. | Consultants continue training until Housing Division and Short-term Rental and Coastal Management/Sea Level Rise Branches transitions are completed. |
| 6. Establish and Implement new division and branches. | | Work included in 1. and 4. above. | Implement new division's and branches' operations. |
| 7. Add new positions and other resources to improve operations and sustain public demands. | | Establish/develop classification, salary range, position descriptions, etc. and recruit for 13 of the 37 positions in the third quarter of the FY2023. The other positions, except for those in Administration are delayed for one quarter in FY2023. | Establish/develop classification, salary range, position descriptions, etc. and recruit for 14 of the 43 positions in the second quarter of the FY2024. |
| 8. Maximize net revenues. | | Draft/amend administrative rules. Work with the Department of Budget and Fiscal Services and the Consultant to establish policies and procedures for billing, tracking, collecting and reporting of fees charged and collected. | The Short-Term Rental Enforcement Branch is established and operational. |

DEPARTMENT OF PLANNING AND PERMITTING
**CITY AND COUNTY OF HONOLULU**
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RICK BLANGIARDI
MAYOR

DEAN UCHIDA
DIRECTOR

DAWN TAKEUCHI APUNA
DEPUTY DIRECTOR

EUGENE H. TAKAHASHI
DEPUTY DIRECTOR

March 24, 2022

**MEMORANDUM**

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Dean Uchida, Director
Department of Planning and Permitting

Digitally signed by Uchida, Dean
Date: 2022.03.24 14:00:07
-10'00'

SUBJECT: Response to Committee on Budget's Departmental Briefing Questions of March 9, 2022 for the Department of Permitting and Planning.

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached responses.

Attachments

DEPARTMENT OF PARKS & RECREATION

**CITY AND COUNTY OF HONOLULU**

1000 Uluohia Street, Suite 309, Kapolei, Hawaii 96707
Phone: (808) 768-3003 • Fax: (808) 768-3053
Website: www.honolulu.gov

RICK BLANGIARDI
MAYOR

LAURA H. THIELEN
DIRECTOR

KEHAULANI PU'U
DEPUTY DIRECTOR

March 23, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Laura H. Thielen
Director

Digitally signed by Puu, Kehaulani R
Date: 2022.03.29 13:23:20 -10'00'

SUBJECT: Response to Committee on Budget's Departmental Briefing Questions of March 17, 2022 for the Department of Parks and Recreation

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

LHT:kc
(876443)

Department of Parks and Recreation
Questions of March 17, 2022

Attachment

**Question 1. The Budget Book highlights say 59.8 FTE positions have been deactivated to reflect a more accurate picture of the number of positions the department has to deliver services. Does that mean those positions aren't needed or you know you are not able to fill them?**

Answer:

The Department is not allowed to fill deactivated positions due to budget constraints. These positions are needed and we hope to fill these positions as the economy improves and budget constraints can be lifted.

**Question 2. What is your role in administering the 8% of the transient accommodations tax revenue that goes towards mitigating the impacts of visitors on public facilities and natural resources, including the restoration, operations, and maintenance of beaches and parks; and Does the budget reflect DPR's involvement?**

Answer:

The Administration's FY2023 proposed budget as currently submitted does not reflect DPR's planned involvement regarding the administering of the approximate 8% allocation of transient accommodations tax revenue.

DPR will work collaboratively with BFS to determine how to allocate and expend the 8% of transient accommodations tax (TAT) revenue that goes toward mitigating the impacts of visitors on public facilities and natural resources ("8% Objective"). We plan to prioritize DPR's (unbudgeted) operating budget issues and Council adds for FY23 that meet the 8% Objective. One of the budget issues to be addressed would be hiring a Planner III position to support the use of Master Agreements for repairs and maintenance. Consequently, we could issue work orders under Master Agreements through DPR's Maintenance Support Services program to efficiently resurface parking lots, and repair sidewalks, walkways and rest stations at parks with heavy visitor foot traffic. Finally, we will purchase and/or replace obsolete park equipment to optimize the work effectiveness of the mowing and rubbish removal crews across all park districts, including our leeward coast parks that are seeing increased visitor usage.

DEPARTMENT OF TRANSPORTATION SERVICES
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HONOLULU, HAWAII 96813
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RICK BLANGIARDI
MAYOR

J. ROGER MORTON
DIRECTOR

JON Y. NOUCHI
DEPUTY DIRECTOR

March 23, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: J. Roger Morton, Director
Department of Transportation Services

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 08, 2022 for the Department of Transportation Services

The following is our agency's response to the questions on the CIP Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

Department of Transportation Services
Question of March 08, 2022

Attachment

**Question: Ualo/Moanalua Road traffic signal in the CIP budget--What is your timeline for bidding this out/construction? The community has been asking for this for decades, and we've had several pedestrian fatalities there.**

Answer:

The installation of a traffic signal at Moanalua Road and Ualo Street is part of a larger, multi-intersection project. Based on the current project schedule, construction is estimated to begin in late 2025.

DEPARTMENT OF TRANSPORTATION SERVICES
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RICK BLANGIARDI
MAYOR

J. ROGER MORTON
DIRECTOR

JON Y. NOUCHI
DEPUTY DIRECTOR

March 24, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: J. Roger Morton, Director
Department of Transportation Services

SUBJECT: Bill 14 (2022) Operating Budget CD1 Response (Comments and Concerns)

Attached is our agency's comments and concerns to Bill 14 amendments for the Special Budget Committee meeting of March 30, 2022.

Attachment

Attachment

**Question 1**. **Would like a detailed breakdown of how the funding for the Hitachi contract was spent in FY22.**

Answer:

During the FY 22 budget process it was decided to "Decrease Transfer to Transportation Fund for Bus Subsidy" via an Amendment to adopted ordinance 21-20 in the amount of $58,214,740 (CE, GN) and "Transfer to Other Funds." There were no City funds allocated or expended on the Core Systems Design-Build-Operate-Maintain contract for operation and maintenance work in FY 22.

**Question 2**. **One of the testifiers during second day of budget briefings who is a member of the HART Board explained that money is being spent on the Hitachi contract. This is contrary to what was explained during DTS briefing that no money would be spent on the contract until rail was ready for interim service. Please clarify if and why the Hitachi contract is being paid.**

Answer:

The scope of the Core Systems Design-Build-Operate-Maintain contract includes design and construction work as well as operation and maintenance work. HART is responsible for the design and construction work. HART is responsible for compensating the contractor for the design and construction work. The City, through DTS, is responsible for the operation and maintenance work. DTS is responsible for compensating the contractor for the operations and maintenance work. The contractor does not begin to receive compensation for the operations and maintenance work until passenger service commences on a project segment.

**Question 3**. **How prepared is the City for the application The Infrastructure Investment and Jobs Act, or called the Bipartisan Infrastructure Bill? Both in its ability to apply for grant funding and to deploy additional funding? What preparations have the department made?**

Answer:

The City anticipates that funding levels for the formula programs for both Federal Transit Administration (FTA) and Federal Highway Administration (FHWA) will increase by between 20% to 35% over historical levels. Additionally, the new Infrastructure Investment and Jobs Act (IIJA) presents many opportunities for the City to apply for discretionary funding. The Department will aggressively pursue relevant funding opportunities and intends to program match to leverage the additional funding in the City's FY 24 budget. The Transportation Improvement Program (TIP), which is fiscally constrained, will be amended to reflect new projects or expanded programs when scope, schedules, and budgets acceptable to federal funding partners have been determined by City Administration and department staff. The FTA has not apportioned the full year Federal Fiscal Year 2022 formula programs at this point but the Department anticipates the revised apportionment tables should be available from FTA soon.

**Question 4**. **The Transportation Mobility Division includes $4.443 million for the 4th year cost of multi-year consultant services to hire outside transportation professionals to guide and assist the agency in the implementation, activation, operation and maintenance of the rail system. The FY22 appropriation was $2.227 million. Please explain the following: a. What is the duration of this consultant services contract and the total cost? b. What services does this consultant offer that DTS is unable to do?**

Answer:

The duration of the contract is five years, which ends in FY 25. The contract scope includes technical support in areas such as safety and security; regulatory plans, reports, and compliance; technical submittal review; modeling and simulation; traffic impact analysis; geographic information systems; quality management; transfer of capital assets; technical procurements; and technical document production.

**Question 5**. **Please explain what the $200,000 for Rail Grand Opening Services [Administration (1600), OC #3006: Other Professional Services (Transportation Fund)] will be used for.**

Answer:

The funds will be used to implement the Grand Opening Plan for the West Project Segment. The scope of the plan includes activities such as a tabletop exercise, full scale simulation, resourcing, volunteer training, communications, station previews, traffic and parking control, crowd management, and post ceremony surveys. Additionally, the funds will be used to procure support services for the opening day ceremony. The contractor responsibilities include but are not limited to ceremony planning, bookings, supplies, event setup, logistics, catering, entertainment, staffing, and event breakdown.

**Question 6**. **In regards to "Transportation Performance and Development (1621), OC #3004: Consultant Services (Transportation Fund), $849,238 for the 4th year cost of multi-year consultant services contracts to perform Comprehensive Operations Analysis of Honolulu's integrated and comprehensive public transportation system including the rail line": the City has long been planning for the integration of our bus and rail systems by working towards converting our bus system from a linear to a hub-and-spoke system. a. When is the estimated completion of this analysis? b. Will the Council and public be provided a report/update on the results upon the completion of the analysis?**

Answer:

Honolulu's draft transit network design, a component of the Comprehensive Operational Analysis (COA Project), is scheduled to be complete in 2023. The COA Project includes extensive stakeholder feedback though passenger surveys and online comment tools. The COA Project team will seek feedback from bus riders, general public, and elected officials, including the City Council. Additional updates can be made, upon request. The COA Project includes consultant support throughout the planning, execution, and monitoring phases of bus-rail integration and will continue past the start of full rail service.

**Question 7**. **Could you please provide more details regarding the appropriation of $891,600 for rental of Middle Street space [Transportation Technology (1630), OC #3640: Rentals-Buildings (Highway Fund)]? a. Who is the rent being paid to? b. What DTS maintenance staff is being housed there and what do they maintain? c. Where is the "Middle Street space" located? Please provide the address.**

Answer:

The 645 Middle Street property temporarily houses the traffic signal maintenance staff (DTS Transportation Technology Division's Field Operations Branch), equipment, and supplies. Since the property was purchased using Federal Transit Administration (FTA) funds, occupants using the property for non-transit use are required to pay rent. This payment documents continuing control of the property in accordance with FTA requirements. Rent payment from the highway fund (120) goes back into the City for eligible FTA assisted transit use in transportation fund (180).

**Question 8**. **What date does the City estimate that the first 10 miles of Rail, nine stations between East Kapolei & Aloha Stadium will open for operations? Currently, $96.5 million is earmarked in the DTS budget for FY 23 rail operation; how much of the $96.5 million is budgeted for pre-rail operations costs in FY 23 and how much could be released for other uses each month the opening is delayed?**

Answer:

The most recent HART project schedule indicates that the West Project Segment will be completed in August 2022. If the budget requested for rail operations and maintenance in FY 23 is reduced or eliminated, the department will not be able to demonstrate capacity, capability, or operational readiness. The consequences include but are not limited to safety and security certification delays, delays to passenger service, and delay claims from contractors.

**Question 9**. **Where does your department plan to house the 28 Permanent FTE positions being created in the Transportation Mobility Program?**

Answer:

The department has proposed to reorganize its organizational structure to establish a new Transportation Rail Division, transfer the existing Rail Operations & Maintenance Branch from the Transportation Mobility Division to a new Transportation Rail Division, and establish a new Rail Facilities Management and Maintenance Branch to further support the inclusion of rail operations and maintenance within the department structure. The positions will be domiciled at the following existing locations: Rail Operations Center in Pearl City, 645 Middle Street in Honolulu, and/or 711 Kapiolani Boulevard in Honolulu.

**Question 10**. **Where are the 5 intersections for the Project Vision Zero installations?**

Answer:

Vision Zero quick-build installations are planned for North King Street/Gulick Avenue, Pensacola Street/Kona Street, Pensacola Street/Hopaka Street, McCully Street/Kapiolani Boulevard, and Kapolei Parkway/Kamaaha Avenue.

DEPARTMENT OF ENVIRONMENTAL SERVICES
**CITY AND COUNTY OF HONOLULU**
1000 ULUOHIA STREET, SUITE 308, KAPOLEI, HAWAII 96707
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RICK BLANGIARDI
MAYOR

ROGER BABCOCK, JR., Ph.D., P.E.
DIRECTOR

MICHAEL O'KEEFE
DEPUTY DIRECTOR

ROSS S. TANIMOTO, P.E.
DEPUTY DIRECTOR

IN REPLY REFER TO:
WAS 22-29

March 23, 2022

**MEMORANDUM**

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

Digitally signed by Babcock, Roger W
Date: 2022.03.23 15:11:55 -10'00'

FROM: Roger Babcock, Jr., Ph.D., P.E., Director

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 17, 2022 for the Department of Environmental Services

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

Department of Environmental Services
Question(s) of March 17, 2022

# Attachment

**Question 1. ENV Construction Waste. When is PVT expected to reach capacity and what is the City doing in preparation of a possible PVT shutdown? Will the City begin to accept construction waste?**

Answer: PVT is expected to reach capacity and stop receiving construction and demolition waste in the next 5 to 10 years. In preparation of the closure, the City is siting a new landfill with the capacity to accept construction waste. ENV anticipates having to accept construction and demolition waste when PVT closes. Additionally, ENV is researching reuse and recycling options for construction and demolition waste to minimize the amount of waste that has to be landfilled.

**Question 2. ENV Recycling. What are we doing to recycle the methane from closed landfills/sewage treatment plants?**

Answer: ENV does not currently recycle the methane from closed landfills. At the Waimanalo Gulch Sanitary Landfill, the methane is flared, and the heat from the flare assists with evaporating condensate. We are currently exploring other alternatives, including the feasibility of a request for proposals from private parties, to provide additional beneficial use of the biogas.

Biogas at the Honouliuli Wastewater Treatment Plant is used in our boilers to heat digester sludge, and the excess is sold to Hawaii Gas under the terms of the 2016 contract with them. Some of the excess is flared, but we are currently planning some modifications to divert this for additional sale to Hawaii Gas.

In the future, biogas at Honouliuli will be used for sludge drying and for a new Combined Heat and Power facility.

Biogas at the Sand Island Wastewater Treatment Plant is currently used for heating and drying digester sludge to produce biosolids pellets, and the excess is flared. As part of the planning for the Secondary Treatment upgrade, we are exploring other alternatives including the feasibility of a request for proposals from private parties to provide beneficial use of the biogas. Other future uses will include continued sludge heating and drying, and possibly a new Combined Heat and Power facility.

Biogas produced at the Kailua Regional Wastewater Treatment Plant, Waianae Wastewater Treatment Plant, and Waimanalo Wastewater Treatment Plant, has generally been considered feasible only for sludge heating within these plants, with the excess being flared. The cost of treating the biogas is high compared to the potential benefits from the relatively small volumes produced. Future alternatives for beneficial use are being evaluated.

HONOLULU EMERGENCY SERVICES DEPARTMENT
**CITY AND COUNTY OF HONOLULU**
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RICK BLANGIARDI
MAYOR

JAMES H.E. IRELAND, M.D.
DIRECTOR

IAN T.T. SANTEE, M.P.A.
DEPUTY DIRECTOR

March 24, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: James H.E. Ireland, M.D., Director
Honolulu Emergency Services Department

FOR

Digitally signed by Ian T.T. Santee
Date: 2022.03.24 13:56:56 -10'00'

SUBJECT: Response to Committee on Budget's Departmental Briefing Question of March 9, 2022 for the Honolulu Emergency Services Department

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

**Honolulu Emergency Services Department**
**March 24, 2022**
**Page 1**

**1. Field uses of supplies have tripled in the past year—and they are now on the City's dime. This year $1.8 million is budgeted. Do we see this trend continuing, or is it just due to COVID response? If it's COVID related, couldn't we use ARPA/CARES funds?**

Medical supplies have increased steadily over the years. The supply chain for the past two (2) years was interrupted by COVID which has made it more challenging. Prices have steadily increased for all products, across all industries. Through CARES funds we were able to create a reserve of commonly used disposable supplies to prepare us for any surges or other unforeseen circumstances.

**2. EMS went down by $8 million, why is that?**

The decrease in the EMS budget is primarily attributed to the actual City budget aligning with what the actual State budget reflected. The City process needed to have the ability to accept any funds from the State through the course of the fiscal year. Therefore funds reflected *anticipated* approval of requested funds. If the budgets were exactly the same then the City would not have been able to accept any additional funds from the State within that fiscal year. The State's budget cycle differs from the City, making it very challenging to acquire additional State funding. With the transfer of EMS to the City, this mechanism is no longer needed. Additionally, the funds in equipment previously used for purchase of ambulances have been moved to CIP/Major Equipment Procurement.

**3. How much did you spend on CORE this year? Where is the funding for it in the budget this year? Is the program scaling up or down?**

In FY22, CORE is anticipated to spend $600,000 in salaries. Medical equipment costs are estimated at $191,000. This was approved FRF funds. All other support has been through EMS. The program is anticipated to scale up. Since December 1, 2021, CORE has been developing its program and staffing to be in full operation by end of FY23.

**4. Please provide a brief explanation as to the rationale for categorizing EMS and Ocean Safety vacancies as "Uniformed Position Salaries." Does this new categorization change any HRD classifications or have any impact on collective bargaining agreements?**

Public safety personnel across the board in the City have been classified this way. It helps to more specifically identify the vacancies in direct field operations versus administrative support. This does not have an impact on any collective bargaining agreements.

**5. Please provide more information on how CORE will be funded after the ARPA funds are no longer available**.

As ARPA funds are depleted, HESD will work with the city council and the administration to have a clear transition plan for the use of general funds for FY 24 and FY 25. The initial plan is to have 15 positions created in FY 24 and the remaining 15 positions created in FY 25. CORE has also received $3.5 million congressionally directed funds to support the program. In addition, we will be working with the state for other sources of funding.

**6. Please provide complete FY 23 budget details regarding the reorganization to create a new Health Services Branch, including the total FTE count and current expenses with associated fund sources. Additionally, please provide planned/anticipated budget details for FY 24 for this new branch. When providing the requested budget details, please also provide a brief justification/rational narrative.**

The Health Services Branch of the Honolulu Emergency Services Department provides physical and medical evaluations for new hires and current City & County of Honolulu department employees. The proposed Specialized Community Medicine Branch, addresses the needs external to the City & County of Honolulu in the area of the community consisting of the residents and visitors on Oahu. The proposed reorganization is to assist with the growing medical challenges we face in the areas of homelessness and the increasing demand for services. The funds for this branch have already been accounted from our general fund budget and are not a new budget issue for FY23. The total FTE count for this program is ten (10). The salary is $800,000, current expenses is $500,000 for a total program cost of $1,300,000.

**7. Please clarify whether these two budget activities will be eligible to receive any State reimbursement in FY 2023, similar to FY 2022. Note that page B-68 of the Program Book, Vol. 1) states that the EMS budget "includes funding for the City's costs of performing this program, which is eligible for 100% state reimbursement." Additionally, C-7 of the Detailed Statement of Revenues and Surplus indicates that $46,905,348 is estimated for the revenue line item "Recov State-Emerg Amb Svc." If these two budget activities are eligible to receive State reimbursement in FY 2023, please identify the FTE, salaries amount or eligible reimbursement percentage, and/or the current expenses amount. See EMS's response in Mayor's Message 60 (2021) as to the format of this requested information.**

For B-68, we apologize for this oversight. The Program Book Volume 1 for EMS was not updated and the transition from the State to the City started on July 1, 2021.

Effective July 1, 2022, the City and County of Honolulu will no longer be receiving reimbursement from the State of Hawaii. EMS will be receiving supporting funds as identified in Act 208 as well as revenue collected from billing for patient transports.

For C-7, the Detailed Statement of Revenues, the question refers to C-7 for the Executive Program and Budget for FY22 ($46,905,348). Page C-6 of the Executive Program and Budget for FY23 estimates revenue of $41,747,550. The revenue line item for FY23 includes the $12,404,499 from the State, per §16 and §18 of Act 208 SLH 2021 and the remaining estimated revenue is expected from City EMS billing collection.

**8. Please provide a summary table, categorized by budget activity that identifies all Dept of Emergency Services FTEs that will be wholly or partially funded by ARPA funds and the salaries amount. If an identified FTE is only partially funded by ARPA funds, please indicate the breakdown between GN or FG (ARPA) funds being used. Additionally, please provide a total. FTE count and ARPA funding amount categorized by budget activity.**

Summary table attached categorizes each position by budget activity. All positions are wholly funded by ARPA funds. CORE has received additional congressional directed funding for the upcoming year.

**9. Dept Com 168 (2022) states that in FY 23, EMS will retain all billings for its services, receive $8,904,499, and receive the amount specified in HRS Sec. 321-234(b). Please provide greater detail regarding the cited $8,904,499, including at a minimum, the source of revenue. Please provide an estimated remainder amount in the State special fund that will be distributed to EMS, per HRS Sec. 321-234(b), in FY 23.**

$8,904,499, will be received in FY23 from the State of Hawaii, Department of Health. Additionally, HESD will be receiving $3.5 million annually from the State EMS Special Fund through the vehicle registration tax.

**10. Will the $1.5 million in additional funding for salaries cover the 37 new contract positions and 5 for permanent FTEs for Dawn to Dusk?**

Yes, the money will be used to cover contract employment for 37 new hires in order to retain them for the entire fiscal year. This funding enables expansion of current coverage in order to achieve the next phase of extending an Alternate Work Schedule (AWS) for ten (10)-hour work days to tower personnel. This will extend tower operational hours at all 41 towers around O‘ahu.

**11. Do you plan to use ARPA funds for the extended hours program to have more than the 37 contract positions? If so, how much?**

Yes. Ocean Safety intends to stage another Recruit Class in late summer or early fall 2022 and continue to grow tower personnel coverage in order to better achieve a “Dawn to Dusk” lifeguarding program. Ocean Safety is aiming for an additional eight (8) - ten (10) contract WSO I’s in late 2022, and then will plan for a large scale recruitment and tryout again for the end of FY23 and plan for 15 additional contract personnel in spring 2023. ARPA funds (approximately $1M) will enable the addition of 23 contract WSO I’s with some anticipation of salary increases (pending completion of arbitration), on top of 37 brought in during FY22.

HONOLULU FIRE DEPARTMENT

**CITY AND COUNTY OF HONOLULU**

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RICK BLANGIARDI
MAYOR

SHELDON K. HAO
FIRE CHIEF

JASON SAMALA
DEPUTY FIRE CHIEF

March 24, 2022

**MEMORANDUM**

TO: Michael D. Formby, Managing Director
Office of the Mayor

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Sheldon K. Hao, Fire Chief

SUBJECT: Response to the Committee on Budget's Departmental Briefing Question(s) of March 9, 2022 for the Honolulu Fire Department (HFD)

Attached is the HFD's response to the question on the Capital Improvement Program Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022.

for SHELDON K. HAO
Fire Chief

Attachment

Honolulu Fire Department
Question(s) of March 9, 2022

Attachment

**Question: Please provide a breakdown of the steps and timeline of the Waialua Fire Station relocation from start to completion.**

Answer:

During the Environmental Assessment initiated by the Department of Design and Construction, to fulfill Chapter 343, Hawaii Revised Statutes, and Hawaii Administrative Rules, Title 11-200, a condition was identified which required the current administration to review and validate that the parcel acquired could support a sustainable and resilient fire station. The review discovered that the parcel acquired on April 17, 2020, is located in a tsunami evacuation zone (see attachments).

As such, the Honolulu Fire Department's current leadership will not be utilizing this site for the relocation of its Waialua Fire Station. Instead, we will continue to search for a more viable site and hope, with the assistance of various stakeholders, to find a site that will be suitable for the HFD and the community.

# ATTACHMENT 1

Memorandum from the Department of Planning and Permitting dated June 9, 2009, informing the Honolulu Fire Department that tax map key 6-70001:005 is located in a tsunami evacuation zone.

June 9, 2009

To: Captain Robert Main, HFD

Cc: Assistant Chief Thomas K. Perkins, HFD

From: Ray Sakai, Planner, DPP, Policy Planning Branch of the Planning Division

Subject: Waialua Fire Station PIM Revision Application

This is in response to HFD's May 28, 2009 request for revision to the NS PIM to include a fire station ("FS") symbol for the proposed new Waialua Fire Station.

The application cites the location as "in Waialua near the intersection of Goodale Avenue and Waialua Beach Road," and the attached map lists the TMK as 6-70001:005. The "Additional Information" section says the "current station is more than 70 years old (built in 1933), located in a flood inundation zone."

**Question: Is this new Waialua FS meant to replace the Waialua (Haleiwa) FS No. 14, located at 66-420 Haleiwa Road in Haleiwa?**

**If it is,** than please discuss the following with Assistant Chief Perkins. This new PIM revision request sounds like the same project we worked on in 2005 for HFD.

**Assistant Chief Perkins**: To refresh your memory. Councilmember Dela Cruz had introduced Reso. 04-389, on December 14, 2004, to relocate the Waialua FS to TMK: 6-7-001:005 because the Waialua Town Master Plan selected that as the preferred site.

However, as I pointed out during my research, the revised Tsunami Evacuation Map No. 13 – Waialua-Mokuleia (in the white pages of the phone book or online) placed parcel 5 **within** the evacuation area. Therefore, it did not make sense to move from Haleiwa into another evacuation zone. At that time, HFD was conducting a site selection study for the new location – somewhere between Haleiwa and Waialua. At the time Reso. 04-389, CD1 was adopted on April 6, 2005, the study had apparently not been completed, which is why the Reso. map said that "SITE to be determined in Waialua or Haleiwa after site selection study is completed." **FYI** – I don't think that Council will be this generousl in accepting a general location like this now.

**There *is* a "FS" symbol for the Waialua FS on the NS PIM as PIM symbol 020.** The placement of the symbol is conceptual, so even though the symbol is **not** on parcel 5 (located about 3,500 ft. to the SE), my boss, Randy Hara, said that HFD will ***not*** have to process a new PIM revision for the Waialua FS, **IF** this is the **SAME** project as the PIM we processed in 2005 (**DPP File No. 2005/PIM-1**).

I will forward copies of Reso. 04-389, CD1, our Project Description and our Director's Report to Council for your information for the Waialua FS relocation, which we processed for HFD in 2005 as 2005/PIM-1.

**A Final note**: Even if it should be determined/established that the two PIM revisions are similar and that **no** new PIM revision will be needed, I would suggest that your consultant verify that Parcel 5 is located in the Tsunami Evacuation Area. Parcel 5 is also located in the State Urban District so land acquisition costs will be significantly higher than say a location in the State Agricultural District. HFD may want to re-evaluate the feasibility of using parcel 5 for the new Waialua FS.

Please call me at 768-8042 if you have any questions, if not, I will be looking forward to your reply soon.

h:WaialuaFS/Questions.doc

# ATTACHMENT 2

Map from the Hawaii Emergency Management Agency's website showing the Honolulu Fire Department's acquired site is located within a tsunami evacuation zone.

Tsunami Evacuation Zones per HIEMA website (March 2022)

https://dod.hawaii.gov/hiema/public-resources/tsunami-evacuation-zones/

State of Hawaii
Hawaii Emergency Management Agency

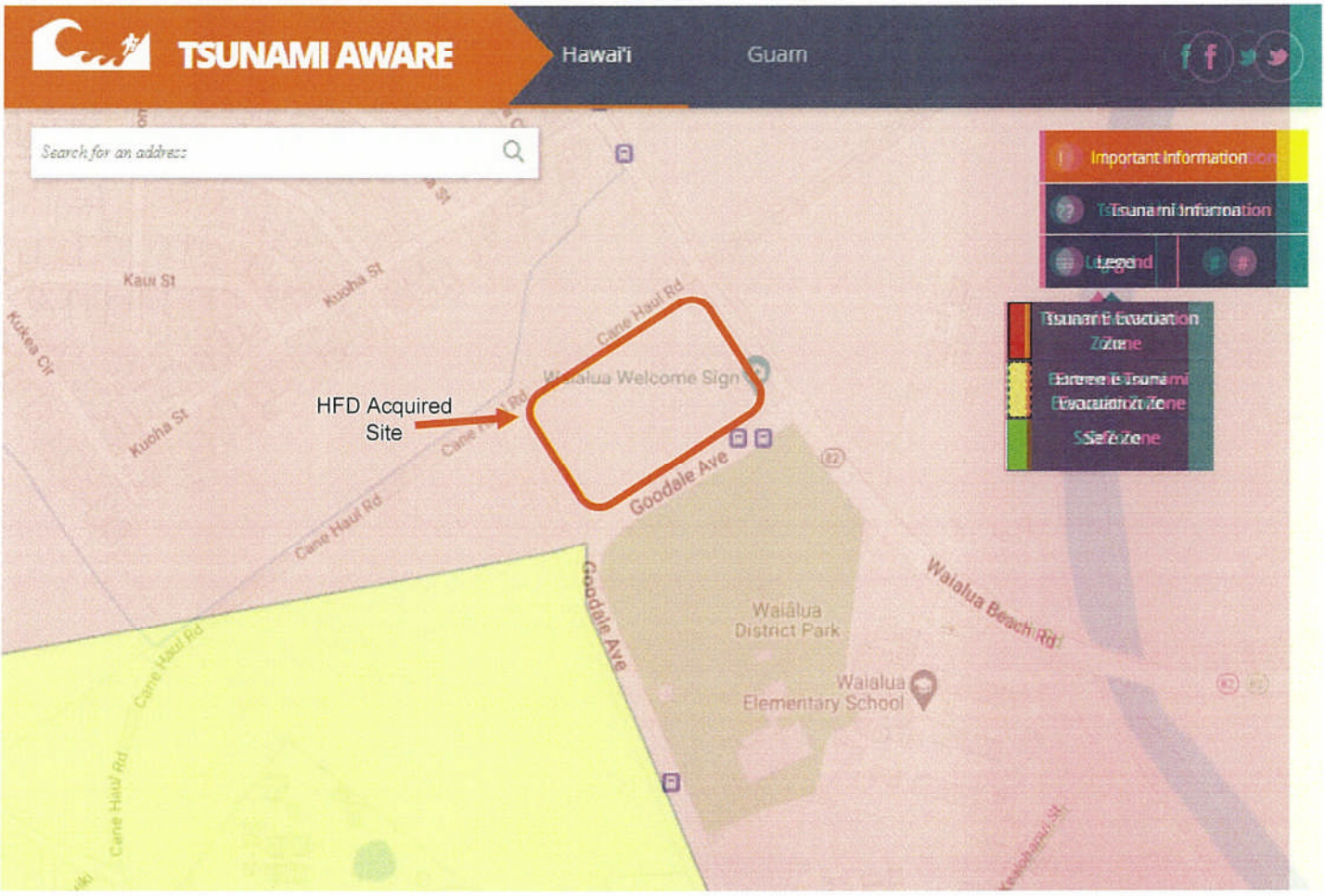
Home | About Us | Get Ready | Newsroom | Community Programs | SERT Resources | Hazard Mitigation | Emergency Proclamations | Grant Programs

Home » Public Resources » Tsunami Evacuation Zones

## TSUNAMI EVACUATION ZONES

### Important Map Notes

- Remain at least 100 feet away from inland waterways and marinas connected to the ocean due to wave surges and possible flooding.
- If possible, remove or deploy vessels to deep water (at least 100 fathoms).
- Structural steel or reinforced concrete buildings of 10 or more stories provide increased protection on or above the fourth floor.
- The evacuation zone is a guideline and should be considered the minimum safe evacuation distance.
- These maps do not consider the destructive effects of a locally generated tsunami. If you feel shaking, move inland immediately, well away from the evacuation zone.



POLICE DEPARTMENT

**CITY AND COUNTY OF HONOLULU**

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RICK BLANGIARDI
MAYOR

RADE K. VANIC
INTERIM CHIEF

OUR REFERENCE ATY/EY-LC

March 23, 2022

TO: Michael D. Formby, Managing Director
Office of the Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Rade K. Vanic, Interim Chief of Police

SUBJECT: Response to Committee on Budget's Departmental Briefing Questions of March 17, 2022, for the Honolulu Police Department

Attached is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022.

Should you have any questions, please have a member of your staff call Acting Assistant Chief Raynor Ikehara at (808) 723-3860.

Rade K. Vanic
Interim Chief of Police

Attachment

Honolulu Police Department
Questions of March 17, 2022

**GENERAL TOPIC: Crossing Guards**
**Question: What line item funds the crossing guard program?**

Answer:
The School Traffic Monitor (crossing guards) program is under the Honolulu Police Department's (HPD) Traffic Division. The program serves various elementary schools across the island. Volunteer crossing guards may also be used by schools. School traffic monitors receive thorough training in traffic laws, crossing procedures, methods to signal drivers to stop, catch sight of specific factors and potential hazards, and emergency procedures.

The line item funding the School Traffic Monitor program is budgeted in the Traffic Division; specifically 120/1357/1125 Personal Services – Contract Positions Charged to Salaries.

For more information or to request for a school traffic monitor, please contact Sergeant Shawn Cavaco of the Traffic Division at (808) 723-3449.

**GENERAL TOPIC: Hiring**
**Question: Please provide an explanation of all the potential options considered to increase hiring and reduce HPD vacancies**

Answer:
The HPD is considering efforts to reestablish relationships with educational career services (high school and collegiate level) and military transitional programs to provide students and military personnel with in-person awareness, insight, and benefits of having a career with the department. Since the onset of the COVID-19 pandemic, in-person informational sessions about a career with the HPD were difficult to hold.

Additionally, the HPD is currently developing a Police Cadet Program to provide eligible police recruit candidates with an opportunity to work at various HPD divisions and obtain training in preparation of the police recruit academy. The HPD has a Law Enforcement Explorers Program (LEEP), which is designed to provide training and character development of young adults who are interested in a law enforcement career. However, the LEEP program is limited to 14 to 20 year old participants. The Police Cadet Program would be a police recruit/officer internship to continue the void after an individual is unable to participate in the LEEP program or anyone seeking a career with the HPD.

Other potential options are the continuance of virtual information sessions, attending college or employment job fairs, social media or televised commercials, and HPDFIT sessions. The HPDFIT program is an opportunity for potential police recruit applicants to learn about the physical requirements of becoming a police officer and to learn about the job from our recruiters.

**GENERAL TOPIC: Patrol**
**Question: Please provide a list of location, size, and total filled FTEs for all units. See Mayor's Message 60 (2021) as to format provided information.**

Answer:
The island of Oahu is divided into eight patrol districts. The Central Receiving Division is a part of patrol operations and processes and holds arrestees. The patrol stations are located in Honolulu, Kalihi, Kaneohe, Kapolei, Pearl City, and Wahiawa. Patrol substations are located in Chinatown, Kahuku, Kailua, Waianae, and Waikiki.

There are 1,623 full-time equivalent (FTE) positions in the Patrol Activity. The table below reflects the number of positions, both sworn and civilian, in the Patrol Activity as of February 1, 2022.

| Patrol Districts | Number of Positions | Number of Sworn Positions | Sworn Vacancies | Number of Civilian Positions | Civilian Vacancies |
|---|---|---|---|---|---|
| District 1 (Downtown) | 263 | 258 | 14 | 5 | 0 |
| District 2 (Wahiawa) | 132 | 129 | 14 | 3 | 0 |
| District 3 (Pearl City) | 154 | 150 | 21 | 4 | 0 |
| District 4 (Kaneohe, Kailua, Kahuku) | 198 | 195 | 14 | 3 | 1 |
| District 5 (Kalihi) | 202 | 199 | 23 | 3 | 1 |
| District 6 (Waikiki) | 174 | 172 | 46 | 2 | 0 |
| District 7 (East Honolulu) | 154 | 151 | 15 | 3 | 1 |
| District 8 (Kapolei) | 241 | 235 | 48 | 6 | 3 |
| Central Receiving Division | 105 | 80 | 8 | 2 | 1 |

Honolulu Police Department
Questions of March 17, 2022

**GENERAL TOPIC: Patrol**
**Question: Will Pearl City/D3 have a bike patrol in the district – and if so, could one be at Pearl Harbor Historic Trail?**

Answer:
The Pearl Harbor Historic Trail is a 10.5 mile trail that stretches from Aiea to Waipahu along the Pearl Harbor lochs. This popular trail is open year round for road biking, trail running, and walking. In some areas of the trail, there are homeless encampments and, unfortunately, the associated social issues and criminal activity. The officers assigned to the Pearl City Police Station address these areas of concern by responding to and conducting daily patrols in and around the bike path and surrounding areas.
In March 2022, the District 3 Crime Reduction Unit conducted enforcement on the bike path area. The operation yielded 5 arrests and 15 citations for various offenses. All-terrain vehicles (ATVs) were preferably used for enforcement along the bike path for its quicker response times and greater range. The use of bicycle units would require additional staffing to cover the same geography of the bike path. The ATVs are also used for patrolling on weekends with a focus on the busier areas of the bike path. These patrols consist of two-officer teams for proactive enforcement of the bike path and nearby city parks. Bike patrols can be incorporated into these operations and utilized in future projects when staffing permits. At current staffing levels, there are no plans for a dedicated bicycle detail unit when priorities are for staffing of patrol beats. However, patrol beat officers are used to make periodic checks of the bike paths for criminal activity in their daily patrols.

**GENERAL TOPIC: Recruits**
**Question: It says in your presentation that you currently have 133 recruits. What percentage of those recruits become officers and what is the timeline?**

Answer:
The percentage for 133 police recruits to become officers varies since they are in different phases of their departmental training, which includes successful completion of recruit school, field training, and the 4th Watch program. It takes about 14 months for a police recruit to fill an officer vacancy from their initial hire as a recruit. In recent years, about 60 to 65 percent of all hired recruits become officers.

The timeline for those recruits to become officers will occur sometime between March 2022 and May 2023 and will be dependent on when they were initially hired. If all 133 police recruits successfully complete their training, about 40 percent (53 recruits) will become officers by the end of calendar year 2022, and the remaining 60 percent (80 recruits) by May 2023.

# OFFICE OF THE MAYOR
## CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI
MAYOR

MICHAEL D. FORMBY
MANAGING DIRECTOR

KRISHNA F. JAYARAM
DEPUTY MANAGING DIRECTOR


March 24, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Krishna F. Jayaram, Deputy Managing Director

SUBJECT: Response to Committee on Budget's Departmental Briefing Question(s) of March 7, 2022 for the Department of the Mayor and Department of the Managing Director

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

**DEPARTMENT: OFFICE OF THE MANAGING DIRECTOR**

**Question 1: Can the administration do a briefing during this budget season to explain how the ARPA funds are being spent?**

Answer: Yes, most certainly. The administration has previously offered to provide regular, suggested monthly or bi-monthly, briefings to Council. The administration mostly recently provided a SLFRF briefing during the March 21, 2022 meeting of the Committee on Housing and Economy. The administration is always available to brief Council on the processing and distribution of ARPA SLFRF in accordance with Council's policy guidance and administration priorities, including as set forth in the City and County of Honolulu's Coronavirus State and Local Fiscal Recovery Funds 2021 Initial Recovery Plan on file with the U.S. Treasury. The administration also invited Council representation/participation on the City's Federal Awards Committee and Vice-Chair Kia'āina was nominated and has participated in the vetting of proposals for SLFRF funding.

**Question 2: Multiple departments indicated gaps in their budget because ARPA funds were to be used. Please provide a detailed list of all departments who were awarded and used ARPA funding to supplement their funding in FY22. Please also provide a detailed list of Initial Recovery Plan items anticipated for approval and expenditure in FY23.**

Answer: The administration has been administering ARPA SLFRF in accordance with the City's 2021 Initial Recovery Plan and the administrative process established to insure both compliance with U.S. Treasury guidelines and the policy preferences of Council and the administration, both separately and collaboratively. Please see linked (a) monthly ARPA report arranged by Department and (b) Exhibit A of the City and County of Honolulu 2021 Initial Recovery Plan.

Monthly ARPA report:
MM-016(22) https://hnldoc.ehawaii.gov/hnldoc/document-download?id=12921
MM-0025(22) https://hnldoc.ehawaii.gov/hnldoc/document-download?id=13216

Exhibit A
MM-126(21) https://hnldoc.ehawaii.gov/hnldoc/document-download?id=11848

As a matter of policy, the administration discourages departments from seeking ARPA SLFRF monies for regular operational needs, especially without a plan on how sustained operations will be funded (operationalization). In limited instances, departments have received approval for the use of ARPA monies to hire or pay for personnel related to supporting the ARPA program and the various policy initiatives being pursued by both the Council and the administration, examples of which include:
$6.46M - CORE Outreach Program (DCS / HESD)

$1.2M - Ocean Safety Staff (HESD)
$500k - Additional purchasing staff (BFS)
$800k - Two Year Park Ranger Pilot Program (DPR)
$1.4M - Chinatown Task Force (HPD)
$400k - Revitalization of Community Gardens (DPR)
$1.2M - Staffing to support Execution of DPP 3-Year Master Plan (DPP)
$125K - Regenerative Tourism Program Manager (OER)

The flexibility designed and built into the ARPA SLFRF process allows the administration to consider, receive and process requests from Council and communities not specifically included within the 2021 Initial Recovery Plan on file with the U.S. Treasury. For example, based on the ARPA public hearings at Council, input from individual Councilmembers, input from OER business constituents and the results of the City's community survey, the City is currently drafting an anticipated multimillion dollar community grant program to address community needs, including needs of non-profits, community groups and entities providing coronavirus-related relief for both direct and indirect impacts of the pandemic.

**Question 3: How can the Council work with the Administration to have funds released for Council added projects and implementation of priorities that benefit Councilmembers' respective districts? A majority of these projects are community driven requests.**

Answer: The administration is always open to discussions with individual Councilmembers regarding Capital Improvement Project (CIP) requests in their respective districts. The preferred approach would be to plan well in advance of the administration's CIP strategic planning time frame/process which commences in August of every year for the following year CIP budget. The administration strategically looks at a County-wide plan for CIP over a six-year time frame. To the extent the administration can roll proposed district CIP projects into existing CIP programs or incorporate requests as stand-alone projects, the administration is willing to do so within the capacity restraints of the departments, which can also be discussed. We encourage Councilmembers to work closely with the departments to identify Council projects and community driven requests that are aligned with projects already contemplated in the CIP budget, as well as discuss stand-alone projects in advance of inclusion by Council in the CIP budget. For a broader discussion on the CIP program and how Council and the administration can best work together to address Council and community driven requests, an informational briefing/discussion by Council with the MDO would be preferred.

**Question 4: Many departments rent office space, indicating a lack of sufficient City facilities to house our personnel. In total, how much does the City spend annually on the rental of office space? Has the Administration considered using vacant or underutilized City owned properties to construct additional buildings for use as City office space?**

Answer: The total dollar amount allocated for the rental of office space in FY23 is $5,137,727. Yes, the administration does look at vacant or underutilized City owned properties for potential use as City office space and considers collateral issues including, but not limited to, deferred maintenance, necessary renovations, planning/design/construction and the budget necessary to convert these facilities into usable office space. As but one example, the City has made use of a vacant DPR building at the corner of Pauahi and River Street as the co-location for CORE (HESD) operations in Chinatown. The building is in need of repairs/maintenance and the City is currently assessing those costs. The City also factors in leases which were executed prior to this administration and for which good use should be made, i.e., the two leased floors at 711 Kapiolani.

**Question 5: When will Council receive login access to review the active proposals, data collection, objectives, and program results? What all programs and activities will be monitored with GrantCare? Will all programs funded by ARPA, including those considered Revenue Replacement be tracked via GrantCare?**

Answer: HNLGrants, previously called GrantCare, is a database management information system that will provide the City with comprehensive grants management capabilities for SLFRF. Administrative access to pending 'active' proposals will be managed by staff. The information and data retrieved by HNLGrants will be provided to the council in monthly reports. If any member of the Council has additional questions regarding specific projects, funded by FRF monies, the administration will work with the Council to fully address such inquiries.

Completion of the full build-out of HNLGrants ("Phase 2") is projected to be completed by June 2022. The first Phase 2 deployment is anticipated to be launched for City departments in April 2022. The second Phase 2 deployment is anticipated to be launched for NGOs in June 2022 and will allow the NGOs to manage their SLFRF awarded funds and provide necessary tracking, invoice and compliance paperwork with the City grant administrator. The completed HNLGrants will automate the proposal process for departments and will manage NGO application processes, as well as reporting, compliance monitoring and City requirements. The plan is for all FRF awards to be processed through HNLGrants. The administration is willing to brief, answer questions and further discuss the HNLGrants process with Council at an informational briefing or meet with and discuss with individual Councilmembers.

**Question 6: What is the Administration's intended role of the Office of Housing and in what specific ways is it unique from the roles of DCS? Budget Book, Page 14: "Mayor is also supporting the continued growth of the Office of Housing and Homelessness with additional resources dedicated to new ideas, approaches and models to reduce Oahu's homeless population." Please detail what these new approaches and models are, including specific budget provisions.**

Answer: The Mayor's Office of Housing (HOU) serves a unique, central role in coordinating the overall affordable housing/housing policies of the City. When this administration came into office, the Office of Housing was also fulfilling a role in the City's homelessness initiatives, but this was not reflected in the office name. Mayor's commitment was to expedite, preserve, and prioritize Affordable Housing (AH) projects in the City and County of Honolulu, as well as expand the City's role in workable solutions aimed at addressing homelessness in a manner that was both visible and proactive. HOU executes the City's expanded commitment by leading the management of the Affordable Housing Working Group (AHWG), which is charged with cross-sector coordination on AH projects and developing a comprehensive affordable housing strategy/action plan. HOU is lead on drafting and publishing of this plan. The AHWG also coordinates homelessness response initiatives and homelessness projects which may overlap with traditional affordable housing initiatives.

The AHWG includes leadership from City departments that play a role in the City's AH, housing and homelessness initiatives. There are key departments that have specific housing authority delegated by Charter: HOU coordinates the overall housing policy of the City. DLM negotiates, acquires, inventories, and develops land specific to City property interests. DPP formulates long-range plans that include housing elements, and administers and enforces ordinances for the development of AH in general. DCS administers AH programs, including state and federal programs, that serve the stakeholders of AH, primarily the housing needs of economically challenged individuals and families with special needs (mental health, substance use, homelessness) and seniors.

Affordable Housing Models and Approaches:
As part of the Administration's commitment to developing a strategic approach to AH, including novel ideas and best practices used in other municipalities, improved lines of authority between departments, and cross-sector coordination of AH projects, the AHWG meets bi-monthly to listen to and receive information from AH stakeholders, including AH developers, landowners, lenders, non-profits, AH advocacy groups, state/federal agencies, etc., to allow AHWG leadership to engage in meaningful discussions on the systemic issues confronting the development of AH on Oahu. As AHWG receives information from stakeholders, execution of the following plans are also ongoing: 1) assessment of

infrastructure (water and sewer) capacity to prioritize AH development; 2) development of a strategic City property/land acquisition strategy (DLM and BFS); 3) modernizing the planning and permitting (DPP) process for affordable housing projects; 4) increasing incentives for the development and production of AH units (MAY and DPP), i.e., Bill 1, Private Activity Bonds, and GET exemptions; 5) development strategy for kauhale/tiny home villages (HOU, DLM, and DCS); 6) homelessness crisis diversion through CORE (HESD), and 7) assessments of City policies and functions to promote AH development (HOU). As for the budget, the City relies upon and takes advantage of various funding sources including, but not limited, funds programmed through the Charter established AH Fund and non-AH Fund budget appropriations, including AH in TOD zones and other general AH appropriations.

**Question 7: When will the Administration provide its housing plan to the Council?**

Answer: The administration, through the Affordable Housing Working Group (AHWG), HOU, and with meaningful community and stakeholder engagement, is committed to developing a comprehensive affordable housing strategy/action plan through a deliberative and intentional process while driving execution under existing City policies and programs. The strategy/action plan is in outline form and content is being populated as the AHWG receives additional information from the AH community and other jurisdictions and as specific initiatives are achieved (Private Activity Bonds, GET exemption, etc.). No specific delivery date is available at this time.

**Question 8: Why is OER again not included as an Office of MDO in the budget with its own respective line item reports? What are the Administration's long term plans for the office and funding its operations?**

Answer: MDO and OER are actively working with BFS to separate OER as a distinct activity, akin to the other offices established under MDO, with separate budget line item reports. When this administration came into office, OER had 6 FTEs and the organizational growth was predominately CARES Act funded, all of which, at the time, ended in CY20. With the extension of CARES Act funds, the administration was able to reprogram and fund OER positions through the receipt of ARPA SLFRF in June 2021, which now supplements OER's 9 general funded FTE positions, in concert with other outside funding sources, to sustain and grow the agency. The Administration supports OER's establishment as a sustaining office promoting robust economic revitalization in the City and County of Honolulu and will work with Council on the programmed conversion of ARPA SLFRF funded positions into budget established FTEs. Not only has OER played a significant role in responding to the COVID-19 pandemic and its impact on our communities and businesses, but they have occupied the lead role in the City's federally-recognized Utility and Rental Relief program with over $120M distributed to O'ahu residents as of this date.

**Question 9: Please provide a detailed justification for the inclusion of Section 12(m) indicating that funds related to the Coronavirus, including CARES, ARPA, and the infrastructure bill need to be expended in a timely manner and thus should not require Council approval?**

Answer: The 12(m) issue was addressed in the administration's express response to Budget Communication #11, as well as orally at the March 21, 2022, meeting of the Committee on Housing and the Economy. The administration, on behalf of the City, accepted ARPA SLFRF funds (1st tranche) on June 7, 2021 pursuant to Section 12(n) of the FY21 operating budget and Section 10(l) of the FY21 capital budget. The language in Section 12(m) was included by mistake and this issue has been addressed with Council. The administration looks forward to working and collaborating with Council on how the 2nd tranche of SLFRF funds will be allocated to programs in the City and County of Honolulu.

**Question 10: It is State procurement law that where possible, light-duty vehicles should all be hybrid or electric in alignment with our 2035 City fleet conversion goals. Are you in agreement with that policy? Can you ensure that the list of vehicle purchases in the procurement of major equipment in both the operating and CIP budget will be in alignment with our carbon neutrality goals?**

Answer: DFM, DDC, CCSR, and other agencies are collaborating on the steps necessary to meet our City's 2035 fleet goals for light duty vehicles. Early successes have included DTS' efforts with electrifying TheBus, with 17 e-buses now in use for the fleet, and DDC's ongoing energy savings performance contract with Johnson Controls International (JCI) offering several City agencies the chance to pilot light duty electric vehicles for their operations.

While purchasing an electric vehicle in lieu of a conventional internal combustion engine (ICE) vehicle is relatively straightforward, the more challenging aspect of fleet conversion is the installation of charging infrastructure. The most cost effective way to add charging infrastructure is to install it in conjunction with other planned capital improvements, as opposed to stand-alone projects. Given that light duty vehicles will typically be replaced in a 10-12-year timeframe, there is only a short time remaining before essentially all City fleet purchases will need to be electric in order to be in line with our 2035 goals. This will require a rapid expansion of charging infrastructure across City facilities, with associated capital requirements.

CCSR recently commissioned an analysis on electrification of the City fleet, and has since developed a decision support tool to make site specific vehicle fleet data readily available across City sites. A Fleet Modernization Working Group has been formed, led by DFM, specifically to coordinate on the installation of chargers to enable fleet electrification. A design contract is currently underway with DDC to allow chargers to be installed for the 64 light duty city vehicles at Kapolei Hale. A second design contract is currently being

developed to look at the charging needs at the largest City fleet sites island-wide. As these charger installations move forward, we anticipate that the vehicles identified for replacement through the major equipment list will show a rapid increase in the percentage of EVs and will quickly reach 100%, with the possible exception of first responder vehicles which may take slightly longer to transition.

**Question 11: Please provide a breakdown of how $250 million in CARES Act funds were moved through to different departments and how the funding was spent.**

Answer: The administration supports transparency in the use of federally awarded CARES Act funds and has posted information on a dashboard publicly available on its www.OneOahu.org website: https://www.oneoahu.org/federal-funding/#cares The administration has also provided monthly expenditure reports for both CARES Act and ARPA SLFRF funds.

**Question 12: On page B-144 of the Program Book, Volume 1, DLM states that the City imposed a City-wide budget restriction in FY 22 on departments. On March 9, 2022, HPD testified to the Budget Committee that HPD had received a City memo indicating that HPD would be subject to a $4M budget restriction in FY 22. Please provide a schedule categorized by department and budget activity which identifies the total FY 22 budget restriction that each department and budget activity were subject to. Additionally, please provide the same level of information for FY 23, if similar budget restrictions apply. Finally, please provide a brief discussion of how each department's restriction amount was determined for FY 22 and FY 23 (if applicable).**

Answer: While formulating the FY22 Operating Executive budget, a $400M budget shortfall was projected in the fall of calendar year 2021. As a measure to off-set the shortfall, all departments were provided a budget ceiling for their initial budget submittals. Their ceilings consisted of the FY21 authorized budget and a reduction of roughly up to 10% of current expenses for general, highway, and subsidized funds. In addition to this reduction, the Honolulu Police Department (HPD) and Honolulu Fire Department (HFD) took additional reductions to their operating budgets. In FY23, there are no such further reductions. The FY23 Operating Executive budget request restores many of the reductions.

**Question 13: Please provide a schedule of the total number of VISTA and other non-City program interns for FY 23. Please identify each intern placement by department and budget activity. The schedule should include, at a minimum, the program providing the intern and indicate whether there is a City match/subsidy requirement and if required, identification of the City fund source.**

**In regards to the City's VISTA program administered by OCCSR: Who has direct oversight each VISTA intern placed? OCCSR or the placed Department? Please provide an example of a direct deliverable completed by a VISTA intern.**

Answer: CCSR does not host or supervise any interns (non-VISTA) at this time and cannot speak to interns hosted by other City agencies.

In FY23, the City's AmeriCorps VISTA (Volunteers in Service to America) program will host 18 VISTA members in the following agencies and positions:

In the Office of Climate Change, Sustainability and Resiliency (CCSR):
- Sustainability Data Analyst
- Climate Action Specialist
- Coastal & Water Planning Specialist
- Climate Adaptation Research Analyst
- Sustainable Food Systems Specialist
- Community Education & Communications Specialist
- Public Policy Research Analyst
- Climate Equity Program Specialist
- Hazard Mitigation & Disaster Recovery Specialist
- VISTA Leader

In the Office of Economic Revitalization (OER):
- Economic Revitalization Research Analyst
- Community Development Outreach Specialist
- Economic Recovery & Small Business Development Specialist

In the Office of Housing (HOU):
- Housing Program Specialist

In the Department of Transportation Services (DTS):
- Complete Streets Transportation Program Specialist

In the Department of Emergency Management (DEM):
- Disaster Feeding Specialist
- Community Preparedness Outreach Specialist

In the Department of Parks and Recreation (DPR):
- Community Forestry Specialist

CCSR provides overall program operation and grant management for the VISTA program and the Managing Director is the Authorized Representative for the grant. Each individual

VISTA member is supervised by a City employee within the VISTA's host agency. Additional professional development and mentorship support is provided to all VISTA members by the VISTA Leader, who is a VISTA member themself.

Within CCSR's proposed budget, Object Code 3990 – Other Fixed Charges, $150,000, maintains the necessary AmeriCorps cost match for the program and all associated expenses and oversight for all 18 VISTA members hosted by the City. Other participating ("host") agencies are not required to provide any budget to host a VISTA member but are expected to provide equipment (i.e., desk and computer).

CCSR provides a match to AmeriCorps, which is equivalent to the VISTA living allowance for four out of the 18 VISTA members at $24,119 each (this amount is determined by AmeriCorps as the poverty rate for a single individual in Honolulu County and is distributed by AmeriCorps to VISTA members over the course of their 12 months of service on a bi-weekly basis). Given the additional program costs covered by AmeriCorps (e.g., healthcare, relocation assistance, end of service education award), the actual value of the 18 VISTA members is greater than $750,000. Given the extremely modest living allowance rate set by AmeriCorps and the high costs of living on O'ahu, CCSR additionally provides VISTA members a transportation benefit (monthly bus or bike pass) valued at a maximum $70 per month per VISTA. Remaining program budget is necessary for VISTA member training, professional development, and cultural learning huaka'i.

Since the City established its VISTA program in 2018, it has hosted 50 individuals committed to serving O'ahu residents and building community resilience. VISTA members are guided by their mission to (1) build capacity, (2) create sustainable solutions, (3) empower communities, and (4) end poverty. To this end, VISTA members have provided tremendous support for the development and implementation of critical City programs, as well as the establishment of new tools, processes, and systems that increase the efficiency and effectiveness of City efforts. Two examples include:

- Former Climate Adaptation Research Analyst VISTA Ujjayan (Ujay) Siddharth secured $20,000 of in-kind resources from the National Oceanic and Atmospheric Administration (NOAA) to conduct a heat mapping analysis for the island of O'ahu. On August 31, 2019 (later recorded as tying a record for the hottest day O'ahu), Ujay coordinated the successful completion of the heat mapping campaign with the help of 28 community and City volunteers who traversed prescribed routes around the island equipped with sensors to record temperature and humidity. The resulting analysis provided an invaluable dataset and resource to better understand O'ahu's community heat risks, which will continue to inform city policies and projects that serve to support vulnerable communities. Ujay combined the recorded data with additional data to produce a heat vulnerability map series to better visualize differential community heat impacts: O'ahu Heat Vulnerability Map Series available at https://resilientoahu.org/trees.

- Serving in the City's first cohort of VISTA members, former Greenhouse Gas (GHG) Inventory & Policy Analyst VISTA Joshua Ferrer-Lozano developed the process for and completed the City's first-ever GHG inventory in 2018, measuring locally-generated island-wide GHG pollution. This metric laid the foundation for establishing the targets and strategies in the City's first-ever Climate Action Plan adopted by City Council in 2021 and remains the City's primary indicator for progress towards statutory GHG goals. Later in 2020, former Energy Policy Analyst VISTA Holly Kim updated the inventory completion process to make it more easily replicable year over year and produced an easily-updatable dashboard to better visualize GHG emissions on island sector by sector and year by year: https://resilientoahu.org/greenhouse-gas-inventory.

One additionally critical output of the VISTA program is that the City 'ohana has now welcomed five former VISTA members as full-time employees within CCSR, DPR, DEM (2), and BFS. VISTAs gain valuable experience and understanding of City processes during their service terms, making them incredible long-term assets to our City team.

**Question 14: Please provide greater detail about the requested $50,000 for "Real Property Tax Revenue Risk Assessment." What is the scope of this consultant contract? What are the goals of this consultant contract? How does this overlap (or not) with the BFS RPAD Division efforts?**

Answer: Climate change poses risks to infrastructure, property and structures. These public and private assets, respectively, provide services to community and revenues to fund those services. Initial assessment of the Sea Level Rise Exposure Area (SLR-XA) and City property tax revenues indicate potential maximum losses of about 8% of total annual residential property taxes. As coastal and other hazards impacts increase there may be severe implications for City revenues absent other strategies to mitigate climate change and adapt to its impacts, readjust community and property values from different land use and development patterns, and/or programmatic or other City investments to support communities and/or redevelopment. Real property taxes are the single biggest revenue source for the City. Declining values and damages due to climate change and sea level rise will impact the City's ability to provide core City services.

The project proposes the creation of:

- Socioeconomic and land use property profiles in the Sea Level Rise Exposure Area (SLR-XA) and/or other hazard areas;
- Economic analysis of various adaptation actions on tax revenue (e.g., no action, transfer of development rights, etc.)

The primary focus of BFS RPAD is on current property assessment valuation for property taxes and it does not have the capacity for such analysis.

**Question 15: Please provide a breakdown showing the last fiscal year's and current and proposed FTEs, current expenses and salaries.**

Answer: Please see response to question 18.

**Question 16: Please provide the total amount of ARPA (FG) funding OER has been allocated for operational purposes (i.e., to fund salaries, current expenses, or purchase equipment) for FY 23. Please categorize by character of expenditure.**

Answer: Please refer to Question 2 for details on ARPA SLFRF spending.
Since ARPA SLFRF can be used between City Fiscal Years, below is a summary of all ARPA funding OER has been allocated starting in FY22 as shown in the latest monthly ARPA report.

ARPA Funded OER Salaries: $2,023,286 (includes salary + fringe benefit costs)
ARPA Funded OER Current Expenses: $0.00
ARPA Funded OER Equipment: $0.00

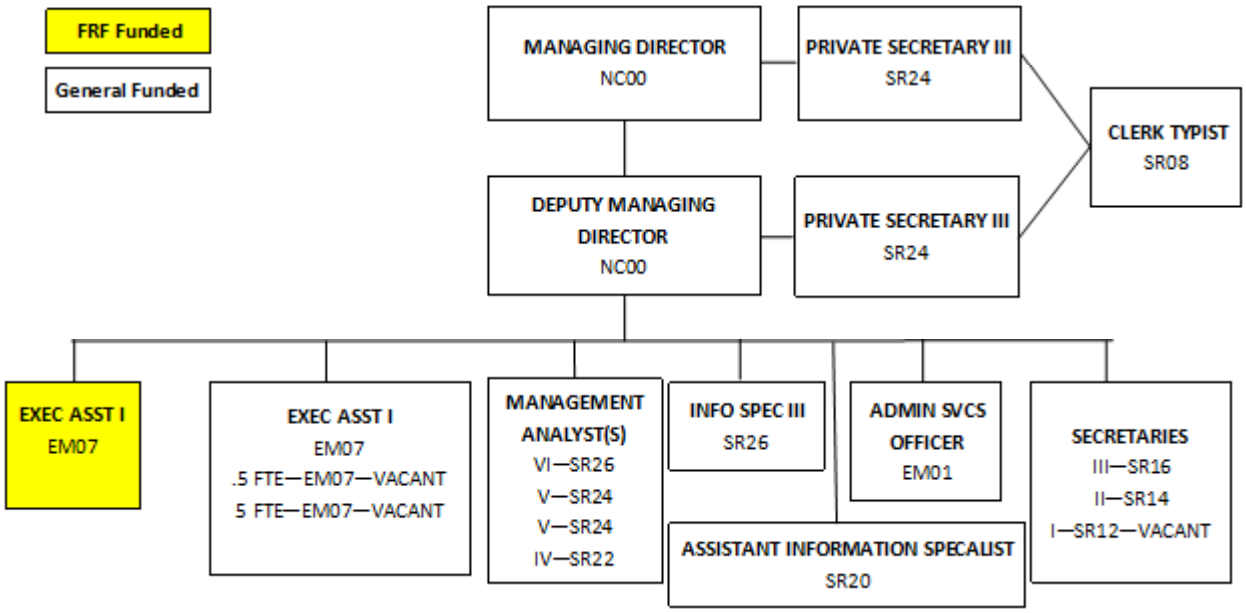
**Question 17: Please provide the prospective locations for the "Rent of Office Space" for the OER. Other City agencies are requesting lower rental spaces for FY 23 for similarly sized or higher sized staff counts.**

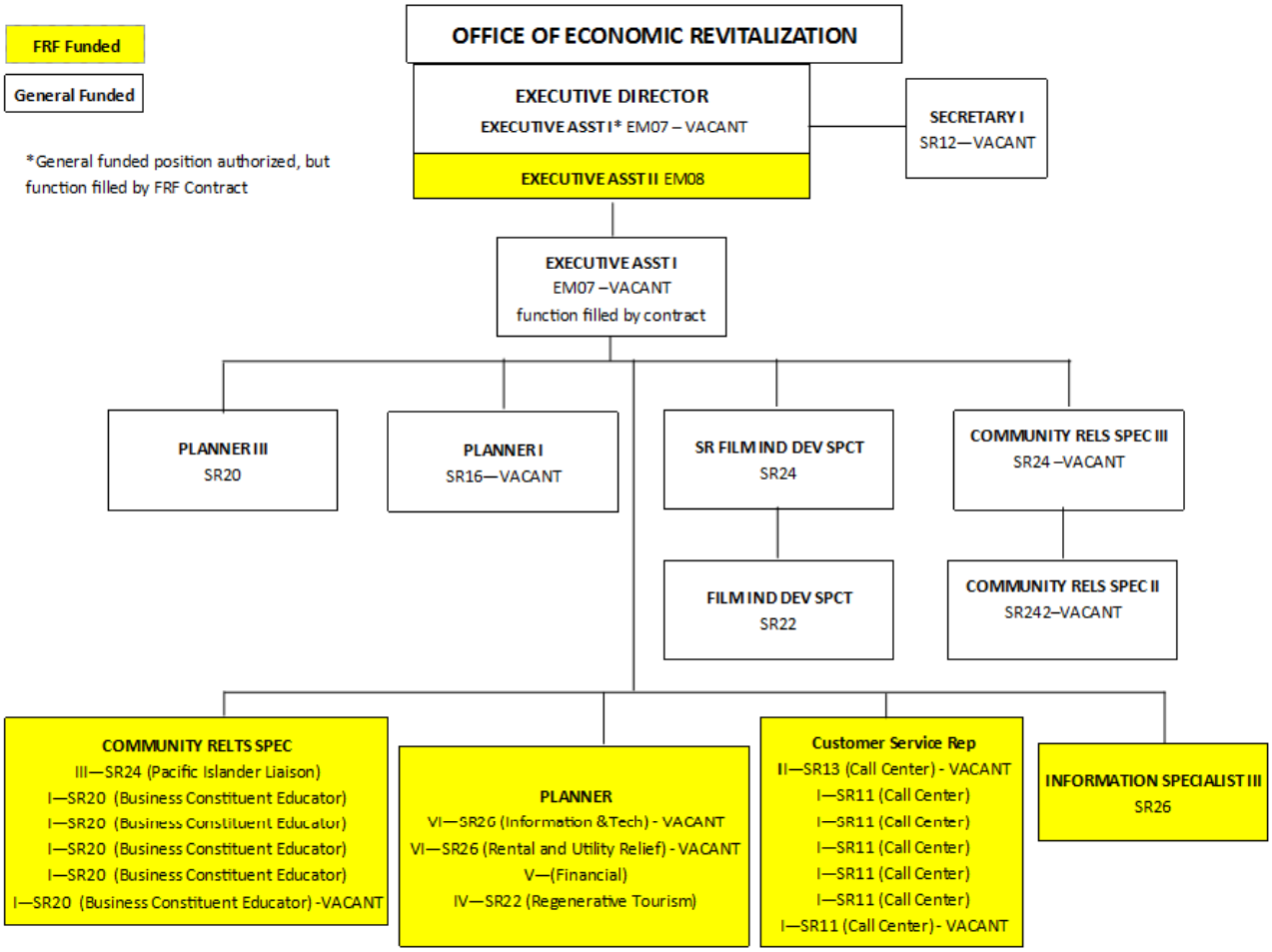
Answer: OER has been occupying temporary offices in the Blaisdell Center Hawaii Suites since its inception in 2020. OER is currently in the process of vacating Blaisdell Center so the Department of Enterprise Services can open it back up for use and rental by the public. The rent proposed in the FY23 budget is OER's portion for space in 711 Kapiolani Boulevard. Rent is proposed to be temporary until OER's permanent location can be determined as the administration weighs space availability and needs throughout the entire City, including the administration's desire to work with Seagull on an alternative early childhood education site on the Civic Center campus during construction work on the Civic Center garage.

**Question 18: Please provide an organization chart for the City Management budget activity that categorizes all FTEs being requested in the FY 23 Budget Plan. When providing this organizational chart, please provide the title, grade, whether the position is currently filled or vacant, fund source, and the what "division" the FTE falls under, i.e., Administration or Office of Economic Revitalization—since the Office of Economic Revitalization is not a separate activity for budgeting purposes, per Bill 14 (2022).**
**– Additionally, please include any contract positions that may or may not be funded by GN.**

Answer: Please see the charts below. Positions are filled unless indicated "VACANT" as of 3/23/2022. As noted in response to question #13, OER is also supported by 3 AmeriCorps VISTAS who do not occupy a FTE and are not reflected in the charts.

**Office of the Managing Director**






**Question 19: What is the purpose of the Small Business Resource Network? What do you hope to accomplish with $120k?**

Answer: The $120k would build a technology platform for the various small businesses, non-profits, and agriculture producers to access information from how to start a business to finding financial and technical assistance resources in one place. O'ahu currently has a variety of technical assistance resources but no central place for small businesses and other organizations to collaborate, navigate, or to even understand all the tools and resources needed to successfully run a small business. This platform will provide small businesses and other organizations with information on basic business needs to complex subjects by connecting them with subject matter experts. Ongoing costs to maintain the platform would be less than $20k per fiscal year. There are several similar models across the country such as Prosper Portland, Detroit Means Business, KC BizCare and KC Sourcelink.

Department of the Prosecuting Attorney

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March 24, 2022

TO: Michael D. Formby, Managing Director

VIA: Andrew T. Kawano, Director
Department of Budget and Fiscal Services

FROM: Steven S. Alm, Prosecuting Attorney
Department of the Prosecuting Attorney

SUBJECT: Response to Committee on Budget's Departmental Briefing Questions of March 17, 2022 for the Department of the Prosecuting Attorney

The following is our agency's response to the questions on the Operating Budget received from the Committee on Budget via Chair Say's letter dated March 17, 2022. Please see our attached response.

Attachment

GENERAL TOPIC: COVID-19 Pandemic
**QUESTION: How many cases were dismissed due to the pandemic orders?**

Answer:
During calendar year 2020, 43,699 cases were declined and the District Court dismissed 15,717 cases. We have requested from the Judiciary information on the number of cases dismissed during calendar year 2021. It is expected that the number of cases declined or dismissed during 2021 to be substantially lower than 2020.

GENERAL TOPIC: Prosecution
**QUESTION: Why is your Prosecution Budget reduced by almost $1.2M?**

Answer:
The difference is mostly due to changes in salary budget items. In FY 2023, there was an increase in the Transfer to Provisional for Vacant Positions and Ordinance 21-20 amendments for State Career Criminal Program and Victim/Witness Program were not included.

GENERAL TOPIC: Weed and Seed
**QUESTION: Could you break out the expenses for the $250,000 for the Weed and Seed Program in Chinatown/Iwilei?**

Answer:
Per Ordinance 21-20 an amendment for $250,000 in federal funds was appropriated for Weed & Seed in Chinatown/Kalihi-Palama, however at this point in time no current expenses have been expended. A new procedure by the City Administration in February for ARPA projects that involve third party service providers was implemented. We are in the process of applying for a $750,000 grant award of ARPA that would provide funding for Weed & Seed Hawaii, Inc. to coordinate services in Weed and Seed regions over the next three years. We recently received an award of $175,000 for one year from the Governor's Commission on Crime/Byrne Justice Assistance Grant (JAG) which we used to contract Weed & Seed Hawaii, Inc. to provide two coordinators for Weed and Seed regions until the end of 2022. An ARPA award would fund Weed & Seed Hawaii, Inc. coordinators starting in 2023.