

SUMMARY OF PROPOSED COMMITTEE DRAFT:

**Bill 40 (2023)
RELATING TO THE TRANSIT CONSTRUCTION MITIGATION FUND.**

The PROPOSED CD1 makes the following amendments:

- A. In SECTION 3 of the bill, amends ROH Section 6-55.4 as follows:
 - 1. Limits mitigation fund eligibility to only those businesses located within ___ miles of active construction of the Honolulu High-Capacity Transit Corridor Project;
 - 2. Limits fund expenditures to mitigation of impacts from construction of the Honolulu High-Capacity Corridor Project;
 - 3. Clarifies that reestablishment grants are for businesses that are currently being forced to physically relocate;
 - 4. Limits eligibility for business interruption grants to allow compensation only for those businesses located within ___ miles of active construction; and
 - 5. Amends eligibility for working capital advance loans to covering operating expenses incurred during the active construction phase.
- B. In SECTION 5 of the bill, amends proposed ROH Section 6-55.5(a) to clarify that the "director" being referred to is the Director of Budget and Fiscal Services.
- C. Makes miscellaneous technical and non-substantive amendments.



A BILL FOR AN ORDINANCE

RELATING TO THE TRANSIT CONSTRUCTION MITIGATION FUND.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. The purpose of this ordinance is to establish additional requirements for the Transit Construction Mitigation Fund.

SECTION 2. Section 6-55.2, Revised Ordinances of Honolulu 2021, is amended to read as follows:

"§ 6-55.2 Purpose.

The purpose of the transit construction mitigation fund is to receive and expend moneys to mitigate negative economic impacts from the construction of the Honolulu ~~[High-Capacity]~~ High-Capacity Transit ~~[project.]~~ Corridor Project."

SECTION 3. Section 6-55.4, Revised Ordinances of Honolulu 2021, is amended to read as follows:

"§ 6-55.4 Expenditures.

Expenditures from the transit construction mitigation fund shall only be used to mitigate negative economic impacts on businesses ~~[from the]~~ within miles of active construction of the Honolulu ~~[High-Capacity]~~ High-Capacity Transit ~~[project and such-expenditures]~~ Corridor Project, provided that expenditures may not be used to mitigate beyond impacts from construction of the Honolulu High-Capacity Transit Corridor Project. Expenditure types may include but are not ~~[be]~~ limited to:

- (1) Reestablishment payments (grants): Available to businesses that ~~[were]~~ are being forced to physically relocate due to rail construction;
- (2) Business interruption payments (grants): To compensate businesses located ~~[along the corridor]~~ within miles of active construction for loss of business income due to construction impacts; and
- (3) Working capital advances (loans): For covering legitimate business operating expenses required to continue operation during the active construction phase."



HONOLULU CITY COUNCIL
KE KANIHELA O KE KALANA O HONOLULU
CITY AND COUNTY OF HONOLULU

ORDINANCE _____

BILL **40 (2023), CD1**

A BILL FOR AN ORDINANCE

SECTION 4. Section 6-55.5, Revised Ordinances of Honolulu 2021 ("Administration"), is renumbered to Section 6-55.6.

SECTION 5. Chapter 6, Article 55, Revised Ordinances of Honolulu 2021 ("Transit Construction Mitigation Fund"), is amended by adding a new Section 6-55.5 to read as follows:

"§ 6-55.5 Additional requirements.

- (a) The director of budget and fiscal services shall adopt rules pursuant to HRS Chapter 91 regarding application procedures, deadlines, and selection criteria for grants and loans funded with transit construction mitigation fund moneys.
- (b) Expenditures from the fund must be in accordance with prescribed laws and procedures applicable to the expenditure of city revenues."

SECTION 6. Ordinance material to be repealed is bracketed and stricken. New material is underscored. When revising, compiling, or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the brackets, the material that has been bracketed and stricken, or the underscoring.



A BILL FOR AN ORDINANCE

SECTION 7. This ordinance takes effect upon its approval.

INTRODUCED BY:

Tyler Dos Santos-Tam

Radiant Cordero

DATE OF INTRODUCTION:

June 30, 2023

Honolulu, Hawai'i

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20 _____.

RICK BLANGIARDI, Mayor
City and County of Honolulu