



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

**COMMITTEE ON BUDGET**

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**Voting Members:**  
Radiant Cordero, Chair  
Matt Weyer, Vice Chair  
Esther Kia'aina  
Calvin K.Y. Say  
Augie Tulba

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**AGENDA**

REGULAR MEETING  
CITY COUNCIL CHAMBER  
TUESDAY, JANUARY 9, 2024  
9:00 A.M.

**PUBLIC PARTICIPATION AND TESTIMONY**

Pursuant to Section 92-3.7, Hawai'i Revised Statutes, this meeting will be conducted as a remote meeting by interactive conference technology, with the following procedures in effect for the meeting:

**VIEWING THE MEETING**

The meeting will be viewable: (1) by internet live streaming through <https://www.honolulu-citycouncil.org/meetings>; (2) by televised live broadcast on 'Ōlelo TV Channel 54; and (3) on the monitor situated outside the Council Chamber. Viewers who experience a loss of viewing signal should try switching to another viewing option.

After the meeting, the meeting will be viewable on demand at <https://www.honolulu-citycouncil.org/meetings>. Copies of older meeting videos may be requested by calling the City Clerk's Office at (808) 768-5822, charges may apply.

Some Councilmembers and presenters may be participating in the meeting by interactive conference technology from remote locations.

**ORAL TESTIMONY**

Oral testimony will be permitted on all items on the agenda. Each speaker may not have anyone else read their statement and is limited to a one-minute presentation.

**Remote Testimony**

1. For direct access to submit oral testimony call: +1-253-215-8782, enter ID **84242111899** and Passcode **394895**.
2. To testify by videoconference visit: <https://hnlidoc.ehawaii.gov/hnlidoc/testimony>. Videoconference access information will be provided upon registration. Testifiers are encouraged to register/submit testimony at least 24 hours prior to the meeting.

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### In-Person Testimony in the Council Chamber

Persons wishing to testify are requested to register by 9:00 a.m. by filling out the registration form in person outside the Council Chamber. Persons who have not registered will be given an opportunity to speak following the oral testimonies of the registered speakers.

**Oral testimony will be allowed when each agenda item is taken up, in the following order:**

1. **Remote testimony;**
2. **In-person testimony in the Council Chamber.**

### WRITTEN TESTIMONY

Written testimony may be uploaded at <https://hnlidoc.ehawaii.gov/hnlidoc/testimony> or mailed to Office of the City Clerk, Attention: Information Section, 530 South King Street, Room 100, Honolulu, HI 96813. If submitted, written testimonies, including the testifier's address, email address, and phone number, will be available to the public at <https://hnlidoc.ehawaii.gov>.

Should you have any questions, please call (808) 768-3819 or send an email to [darci.nago@honolulu.gov](mailto:darci.nago@honolulu.gov).

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### MATERIALS AVAILABLE FOR INSPECTION

Meeting materials ("*board packet*" under HRS Section 92-7.5) are accessible at <https://hnlidoc.ehawaii.gov/hnlidoc/browse/agendas> by clicking on the appropriate Committee meeting.

If you need an auxiliary aid/service or other accommodation due to a disability or an interpreter for a language other than English, please call the Office of the City Clerk Information Section at (808) 768-5822 between 7:45 a.m. and 4:30 p.m. or send an email to [darci.nago@honolulu.gov](mailto:darci.nago@honolulu.gov) as soon as possible or at least three (3) business days before the scheduled meeting. Requests made as early as possible have a greater likelihood of being fulfilled.

**FOR ACTION**

1. **[RESOLUTION 23-304](#) – AMENDED FULL FUNDING GRANT AGREEMENT (FFGA).** Authorizing the execution of an Amended FFGA with the Federal Transit Administration (“FTA”) for Federal Transportation Assistance authorized by United States Code Title 49, Chapter 53, and other federal statutes administered by the FTA. [Transmitted by Communication [D-815\(23\)](#)]
  
2. **[RESOLUTION 23-299](#) – REPROGRAMMING OF AMERICAN RESCUE PLAN ACT OF 2021 (PUB. L. 117-2), STATE AND LOCAL FISCAL RECOVERY FUNDS PROGRAM (ARPA).** Approving and authorizing the reprogramming, receipt, and expenditure of ARPA monies in the amount of \$39,701,425. [Transmitted by Communication [MM-241\(23\)](#)]

Related communications:

[CC-292\(23\)](#) Council Chair Waters and Council Vice Chair Kia’aina, objecting to Mayor’s Message 234(23).

[CC-293\(23\)](#) Glen I. Takahashi, City Clerk, notifying the Managing Director’s Office of an objection to Mayor’s Message 234(23).

[MM-234\(23\)](#) Managing Director, Proposed Reprogramming of American Rescue Plan Act (ARPA) Grants Program; Balance of Tranche 2.

3. **[RESOLUTION 24-1](#) – TRANSFER OF FUNDS (DIT).** Authorizing a transfer not to exceed \$422,000 in General Fund moneys from the Department of Information Technology (“DIT”) Administration activity (current expenses character of expenditure (“COE”)) to the DIT Administration activity (equipment COE) for fiscal year 2024 to purchase new storage equipment to allow for the storage of various video data feeds from multiple city sites. [Transmitted by Communication [D-834\(23\)](#)]

4. **[RESOLUTION 23-290](#) – TRANSFER OF FUNDS (CCSR).** Authorizing a transfer not to exceed \$41,667 in General Fund moneys from the Provision for Grants, Partnerships and Security activity (current expenses character of expenditure (“COE”)) to the Office of the Managing Director, Office of Climate Change, Sustainability, and Resiliency activity (current expenses COE) for the fiscal year 2024 to meet matching fund requirements for the U.S. Department of Homeland Security, Federal Emergency Management Agency grant to conduct assessments of several City-owned facilities to determine the potential for hurricane retrofits. [Transmitted by Communication [MM-240\(23\)](#)]
  
5. **[BILL 59 \(2023\)](#) – RELATING TO INCENTIVES FOR FILM STUDIO FACILITIES.** Providing incentives for eligible film studio facilities. (Bill passed first reading 10/4/23; Committee postponed action on 10/17/23)

[CD1 TO BILL 59 \(2023\)](#) (Approved by the Committee at its October 17, 2023 meeting) – The CD1 (OCS2023-0949/10/16/2023 1:32 PM) makes the following amendments:

- A. In SECTION 2 of the bill, replaces the provisions establishing a dedication program for real property as a film studio facility in ROH § 8-7 with a new real property tax exemption in ROH § 8-10. The assessed building value is exempt from taxation during the construction of film studio facilities, provided that the cost of construction is at least \$100,000,000 and is on land comprising a minimum number of 10 acres, for a period up to five years or upon the issuance of a certificate of completion by the Department of Planning and Permitting, whichever occurs first. The Director of Budget and Fiscal Services may extend the exemption period for an additional year for good cause.
  
- B. Adds a new SECTION 3 to the bill, to establish an exemption of the assessed building value of the film studio facility for a period not to exceed 20 years, provided that the owner of the film studio facilities agrees to promote economic expansion of the motion picture, film, and digital media industry in the City throughout the exemption period by:
  1. Promoting local workforce development by providing paid on-set, production and/or post-production internship programs arranged with local colleges, universities, or vocational schools for their students, or by providing on-set, production and/or post-production apprenticeships arranged with local labor union chapters or guilds;

2. Establishing and operating public tours of studio facilities by the fifth year of the exemption;
  3. Contracting with the City for a license to use the City-approved logo, and requiring from its users of the film studio facilities, a five-second long static or share-card of the City logo in the end credits of all film, video, or digital media that are produced or created at the film studio facilities during the exemption period; and
  4. Annually certifying compliance with the conditions for the exemption and annually reporting from the preceding tax year information regarding the internship/apprenticeship programs provided, the number of non-residents and City and State residents hired, and any other information required by the director.
- C. Renumbers SECTION 3 and SECTION 4 to reflect the addition of a new SECTION 3.
- D. Amends renumbered SECTION 5 of the bill to change the applicable tax years and repeal date.
- E. Makes miscellaneous technical and nonsubstantive amendments.
6. **BILL 40 (2023) – RELATING TO THE TRANSIT CONSTRUCTION MITIGATION FUND.** Establishing additional requirements for the Transit Construction Mitigation Fund. (Bill passed second reading and public hearing held 8/9/23; Committee postponed action on 9/12/23)
- CD1 TO BILL 40 (2023)** (Approved by the Committee at its September 12, 2023 meeting) – The CD1 (OCS2023-0736/8/10/2023 4:15 PM) 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;

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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.

PROPOSED CD1 TO BILL 40 (2023) (Submitted by Councilmember Dos Santos-Tam) – The CD1 (OCS2023-1083/12/14/2023 1:46 PM) makes the following amendments:

- A. In SECTION 2 of the bill, amends ROH Section 6-55.2 by adding definitions for "Business," "City Block" and "Rail Project," and replacing "Honolulu High Capacity Transit Project" in the purpose statement in new subsection (a) with the defined term "Rail Project."
- B. In SECTION 3 of the bill, amends ROH Section 6-55.4 as follows:
1. Replaces "Honolulu High Capacity Transit project" with the defined term, "Rail Project";
  2. Prohibits the fund expenditures from being used to mitigate beyond impacts from construction of the Rail Project;
  3. Clarifies that reestablishment grants are for businesses that are being forced to physically relocate;

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4. Deletes the limitation for eligibility for business interruption grants to only those businesses located along the Rail Project corridor; and
  5. Amends eligibility for working capital advance loans to covering operating expenses incurred during the active construction phase.
- C. In SECTION 4 of the bill, repeals ROH Section 6-55.5 ("Administration").
- D. In SECTION 5 of the bill, removes the text of the new ROH Section 6-55.5 ("Additional requirements") and substitutes a new ROH Section 6-55.5 with the section heading of "Criteria" that:
1. Lists qualification criteria for applicants to receive a grant or loan from the transit construction mitigation fund, including that the applicant must, at a minimum:
    - a. Be a business that is majority-owned by city residents and that does business with customers primarily at a physical location located within a city block in which there is active construction on the Rail Project at the time of application;
    - b. Generate not more than \$750,000 in annual revenue;
    - c. Have 15 or fewer employees; and
    - d. Have opened for business prior to the commencement of active construction on the Rail Project within the same city block as the business location.
  2. Authorizes the director of budget and fiscal services to establish additional selection criteria for the applicants, including determinations on applicant viability.

- E. Adds a new SECTION 6 of the bill to add a new ROH Section 6-55.6 ("Administration—Rules") that:
  - 1. Requires the director of budget and fiscal services to:
    - a. Administer the transit construction mitigation fund; and
    - b. Adopt rules pursuant to HRS Chapter 91 to implement, enforce, and administer Article 55, including rules regarding application procedures, deadlines, expenditure amounts, and additional selection criteria.
  - 2. Adds the requirement that expenditures from the fund be in accordance with prescribed laws and procedures applicable to the expenditure of City revenues.

Renumbers subsequent bill SECTIONS.

- F. Adds a new SECTION 7 of the bill to add a new ROH Section 6-55.7 ("Outreach") requiring the Mayor to designate a City agency to conduct outreach activities with businesses that may be eligible to receive transit construction mitigation fund grants or loans, and describing activities that may be included in the outreach.
- G. Makes miscellaneous technical and nonsubstantive amendments.

## **EXECUTIVE SESSION**

If the need arises with respect to any item on this agenda, then pursuant to Hawai'i Revised Statutes Sections 92-4 and 92-5(a)(4), the Committee may consult in a closed meeting with its attorneys in executive session on questions and issues pertaining to the Council's powers, duties, privileges, immunities and/or liabilities relating to that item.

RADIANT CORDERO, Chair  
Committee on Budget