

HONOLULU CITY COUNCIL

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

No. 25-86, CD1
PROPOSED

RESOLUTION

INITIATING AMENDMENTS TO THE REVISED CHARTER OF THE CITY AND COUNTY OF HONOLULU 1973, (AMENDED 2017 EDITION), PURSUANT TO THE MAYOR'S EXECUTIVE REORGANIZATION AUTHORITY, RELATING TO THE OFFICE OF HOUSING, DEPARTMENT OF COMMUNITY SERVICES, DEPARTMENT OF PLANNING AND PERMITTING, DEPARTMENT OF LAND MANAGEMENT, AND DEPARTMENT OF BUDGET AND FISCAL SERVICES.

WHEREAS, pursuant to the executive reorganization powers set forth in Section 4-202 of the Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended ("Charter"), the Mayor of the City and County of Honolulu may propose to the City Council that the duties and functions of existing departments or agencies of the executive branch be changed and that executive departments or agencies be rearranged; and

WHEREAS, the City and County of Honolulu ("City") recognizes that the shortage of affordable housing on O'ahu is a long standing, complex issue that the City has faced for decades; and

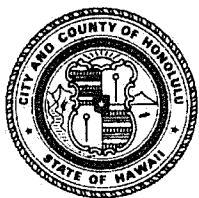
WHEREAS, the lack of housing impacts the City economically, and the community as a whole; and

WHEREAS, increasing the supply of housing for all income levels must be considered, as a continuum of need exists, ranging from homeless shelters and permanent supportive housing to low-income rentals, workforce housing, and single-family homes and condos for those pursuing the American dream of homeownership; and

WHEREAS, according to the State of Hawai'i Department of Business, Economic Development and Tourism study entitled "Hawai'i Housing Demand: 2025-2035," the City will need approximately 24,000 housing units over the 2025-2035 period to meet projected demand for housing;

WHEREAS, the City believes investing in the financing and development of housing strengthens our economy, creates jobs, boosts families' incomes, and encourages further development; and

WHEREAS, the City seeks opportunities to support the planning, financing, acquisition, construction, renovation, repair, maintenance, and operation of projects or programs to facilitate housing opportunities; and



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WHEREAS, in the exercise of his broad executive reorganization authority, the Mayor proposes to centralize many of the duties and responsibilities needed to plan, finance, develop, and otherwise encourage the creation of new and innovative housing opportunities; and

WHEREAS, the Mayor retains broad and flexible powers to effectuate an executive reorganization under Section 4-202 of the Charter, which reorganization shall become effective upon approval by the Council or unless rejected by a two-third's vote of the Council's entire membership in accordance with the terms of said provision; and

WHEREAS, the Council is in accord with the Mayor's proposal; now, therefore,

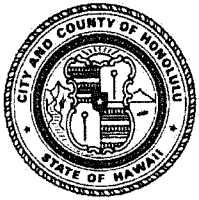
BE IT RESOLVED by the Council of the City and County of Honolulu that the Council approves the Mayor's proposal to amend the Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended, as follows:

1. That Section 6-106, Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended ("Office of Housing"), is repealed.
2. That Section 6-302, Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended, is amended to read as follows:

"Section 6-302. Powers, Duties and Functions –

The director of community services shall:

- (a) Develop and administer projects, programs, and plans of action [~~for human resources~~], and manage, operate, and coordinate City activities relating to human services, homelessness, and special needs housing programs.
- (b) Develop and administer projects, programs, and plans of action designed to achieve sound community development, provided that such projects, programs and plans of action conform to and implement the general plan and development plans.
- (c) Administer grants awarded from the grants in aid fund.



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- (d) Act as the local public officer for the purpose of implementing [federally-aided] federally-aided and state-aided human services and community development programs."
3. That Article VI, Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended ("Executive Branch -- Managing Director and Agencies Directly Under the Managing Director"), Chapter 18 ("Department of Land Management"), is amended by amending the title of the Chapter to read as follows:

"CHAPTER 18 – DEPARTMENT OF HOUSING AND LAND MANAGEMENT"

4. Section 6-1801, Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended, is amended to read as follows:

"Section 6-1801. Organization –

1. There shall be a department of housing and land management headed by a director of housing and land management, who shall be appointed and may be removed by the mayor.

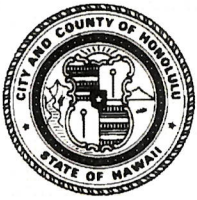
2. The department of housing and land management shall include a housing policy division, headed by an executive for housing, who shall be appointed and be removed by the mayor. The executive for housing shall have a minimum of three years of experience in the administration of affordable housing programs or projects.

5. That Section 6-1802, Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended, is amended to read as follows:

"Section 6-1802. Powers, Duties and Functions –

The director of housing and land management shall:

- (a) Protect, develop, and manage city real property interests, except those under the jurisdiction of the department of parks and recreation.
- (b) Prepare and maintain a perpetual inventory of city real property interests, including all lands owned, leased, rented, or controlled by the city.



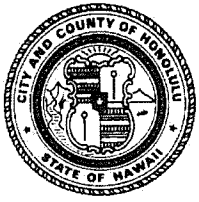
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- (c) Consult with, and advise executive departments and agencies on best practices in land management, property management, and conservation and stewardship with respect to city real property interests under the jurisdiction of executive departments and agencies.
- (d) Develop and implement land management plans, property management plans, and conservation and stewardship plans for all city real property interests that are not under the jurisdiction of any executive department or agency or when requested by any executive department or agency.
- (e) Review and negotiate any transaction or activity that will result in real property interests being added to the city's inventory, including, but not limited to acquisitions funded by the city's Clean Water and Natural Lands Fund and dedications of real property interests to the city.
- (f) Recommend, review and negotiate any real estate transaction or activity ~~[relating to city real property interests,]~~ by the city, except by the board of water supply or the public transit authority, with particular focus on Transit Oriented Development (TOD) special districts, ~~[except those under the jurisdiction of the department of parks and recreation,]~~ including[,] but not limited to public-private partnership agreements, development agreements, purchase and sale agreements, leases, and licenses~~[, and concessions]~~.
- (g) Manage and operate the projects in the city's housing inventory.
- (h) Develop and administer projects, programs, policies, and plans of action for affordable, senior, mixed-use, mixed-income, and workforce housing.
- (i) Develop and administer the planning, development, redevelopment, and financing of housing, in coordination with the state and federal governments, and other public private housing organizations.
- (j) Rent or lease city real property, except property controlled by the board of water supply and the public transit authority."

6. That Section 6-203, Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended, is amended to read as follows:



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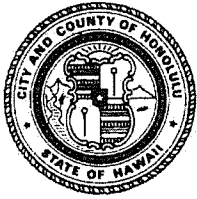
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"Section 6-203. Powers, Duties and Functions –

The director of budget and fiscal services shall be the chief accounting officer of the city and shall:

- (a) Prepare bills for the collection of moneys due to the city or authorize the preparation thereof by other executive agencies of the city government under the director's general supervision.
- (b) Collect and receive moneys due to or receivable by the city and issue receipts therefor or authorize other executive agencies to do so under conditions prescribed by the director of budget and fiscal services.
- (c) Keep accurate and complete account of receipts and disbursements.
- (d) Maintain the treasury and, with the approval of the mayor, deposit moneys belonging to the city in depositories authorized by law, which fulfill all conditions prescribed for them by law.
- (e) Contract for services of independent contractors, purchase materials, supplies, and equipment, and permit disbursements to be made only pursuant to rules and regulations adopted under the terms of this charter.
- (f) Have the responsibility for issuing, selling, paying interest on, and redeeming bonds of the city.
- (g) Prepare and issue warrants.
- (h) Prepare payrolls and pension rolls.
- (i) Be responsible for the management of city funds.
- (j) Sell real property upon which improvement assessments are not paid within the period prescribed pursuant to policies established by



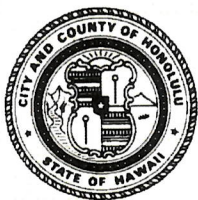
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the council, and dispose of personal property not needed by any agency of the city.

- (k) ~~[Rent or lease city property, except property controlled by the board of water supply and the public transit authority, and award]~~ Award concessions, pursuant to law and to policies established by the council.
- (l) Prepare and maintain a perpetual inventory of equipment owned or controlled by the city and materials and supplies.
- (m) Review assessment rolls for assessable public improvements prior to approval by the council and issue bills therefor after such approval has been given.
- (n) Have custody of all official bonds, except the bond of the budget and fiscal services director, which shall be in the custody of the mayor.
- (o) Review the manner in which public funds are received and expended and report to the mayor on the integrity with which said funds are accounted for and on the financial responsibility of officers and employees administering said funds.
- (p) Provide information pertaining to the financial affairs of the city and make financial reports at least quarterly to the mayor and the council.
- (q) Prepare the operating and capital program and budget and necessary budget ordinances and amendments or supplements thereto under the direction of the mayor.
- (r) Review the operating and capital budget program schedules of each executive agency and make budgetary allotments for their accomplishment with the approval of the mayor.
- (s) Review all executive agency requests for the creation of new positions.



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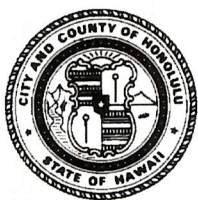
7. That Section 9-204, Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended ("Clean Water and Natural Lands Fund and Affordable Housing Fund"), is amended by amending subsections (8) and (9) to read as follows:

"8. The department of **housing and** land management shall receive proposals for the use of funds in the Clean Water and Natural Lands Fund and shall submit qualified proposals to an advisory commission established pursuant to subsection 9, which shall make recommendations to the council for approval; all proposals for uses of the Clean Water and Natural Lands Fund shall be processed consistent with this procedure.

9. There shall be established a Clean Water and Natural Lands advisory commission to consider proposals submitted to it by the department of **housing and** land management and to submit recommendations to the council for approval of expenditures under subsection 2. The commission shall consist of seven members, with three appointed by the mayor, three appointed by the council, and one appointed by a majority vote of the six appointed members. The members shall serve for staggered terms of five years and until their successors have been appointed and qualified. The initial appointments shall commence no later than January 15, 2017, and shall be as follows:

- (a) For an initial two-year term, two members, one each appointed by the mayor and the council.
- (b) For an initial three-year term, two members, one each appointed by the mayor and the council.
- (c) For an initial four-year term, two members, one each appointed by the mayor and the council.
- (d) For a five-year term, the member appointed by the majority vote of the other six appointed members."

8. That Article XVI, Revised Charter of the City and County of Honolulu 1973 (Amended 2017 Edition), as amended, ("Transition Schedule"), be amended by adding a new section to be appropriately designated by the Revisor of the Charter, and to read as follows:



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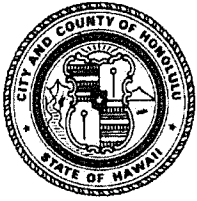
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"Section 16- . Transition Provisions Concerning the Transfer of Powers, Duties, and Functions to the Department of Housing and Land Management.

1. Effective July 1, 2025, the department of housing and land management shall assume all of the powers, duties, and functions of:
 - (a) The department of planning and permitting relating to the multi-family rental housing program, including the administration of all associated contracts, obligations, liabilities, and restrictive covenants, which will continue in full force and effect until discharged or lawfully terminated.
 - (b) The office of housing, which will be incorporated as a division under the department of housing and land management.
 - (c) The department of budget and fiscal services relating to the lease of real property owned by or under the jurisdiction of the city, including the administration of all associated leases, obligations, liabilities, and restrictive covenants, which will continue in full force and effect until discharged or lawfully terminated.
2. Effective July 1, 2027, all real property assets managed by the department of community services that are operated or programmed for affordable housing shall be transferred to the department of housing and land management, which shall assume all of the powers, duties, and functions of the department of community services relating to the transferred real property assets, including the administration of all associated contracts, obligations, liabilities, and restrictive covenants, which will continue in full force and effect until discharged or lawfully terminated.
3. The civil service officers and employees affected by the transfer of powers, duties, and functions to the department of housing and land management shall suffer no loss of vacation allowance, sick leave, service credits, retirement benefits, or other rights and privileges because of the transfer. Nothing in this subsection, however, shall be construed as precluding future changes in status pursuant to the civil service provisions of this charter or law."



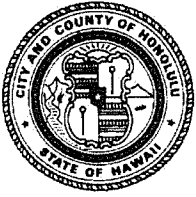
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BE IT FURTHER RESOLVED by the Council of the City and County of Honolulu:

1. That the Revisor of the Charter is directed to prepare a supplement of the charter containing this reorganization language within six months after the effective date of the charter amendments contained in this resolution.
2. That in Sections 2 through 8 of the BE IT RESOLVED clause of this resolution, Charter material to be repealed is bracketed and new charter material is underscored. When revising, compiling, or printing these charter provisions for inclusion in the Revised Charter of the City and County of Honolulu 1973, (2017 Edition), as amended, the revisor of the charter need not include the brackets, the bracketed material, or the underscoring. If these charter provisions are amended by any other charter amendment, the revisor of the charter, in revising, compiling, or printing the charter:
 - (a) May designate or redesignate articles, chapters, sections, or parts of sections and rearrange references thereto; and
 - (b) Shall, except as otherwise expressly provided in this resolution or in any other resolution amending these charter provisions, give effect, to the extent possible, to all of the amendments approved. The revisor of the charter may also change capitalization or the form of numbers and monetary sums for the sake of uniformity.



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BE IT FURTHER RESOLVED that copies of this resolution be transmitted to the Mayor, the Managing Director, and the Corporation Counsel.

INTRODUCED BY:

Tommy Waters (br)

DATE OF INTRODUCTION:

March 13, 2025
Honolulu, Hawai'i

Councilmembers