

DEPARTMENT OF BUDGET AND FISCAL SERVICES
KA 'OIHANA MĀLAMA MO'OHELU A KĀLĀ
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 768-3900 • FAX: (808) 768-3179 • WEBSITE: honolulu.gov/budget

RICK BLANGIARDI
MAYOR
MEIA



ANDREW T. KAWANO
DIRECTOR
PO'O

CARRIE CASTLE
DEPUTY DIRECTOR
HOPE PO'O

May 7, 2025

The Honorable Tyler Dos Santos-Tam, Chair
and Members
Committee on Budget
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawai'i 96813

Dear Chair Dos Santos-Tam and Councilmembers:

SUBJECT: Departmental Responses to Bill 22 (2025), CD2
Executive Operating Budget and Program for Fiscal Year 2026

Attached are the departmental comments to Bill 22 (2025), CD2.

If you have any questions, please contact me by telephone at (808) 768-3901 or
by email at andy.kawano@honolulu.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "A. T. Kawano".
Andrew T. Kawano
Director

Attachment

APPROVED:

A handwritten signature in black ink, appearing to read "Michael D. Formby".
Michael D. Formby, Managing Director
Office of the Managing Director

DEPT. COM. 339

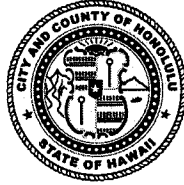
ATTACHMENT

Departmental Responses to Bill 22 (2025), CD2

DEPARTMENT OF BUDGET AND FISCAL SERVICES
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HOPE PO'O

May 2, 2025

MEMORANDUM

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

VIA: Shelli Oye, Budget Program Administrator

FROM: Andrew T. Kawano 
Director

SUBJECT: FY 2026 Operating Budget Proposed CD2 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

DEPARTMENT: BUDGET AND FISCAL SERVICES

May 2, 2025

Page 1

NEW GENERAL PROVISIO

Councilmember: Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
		Add proviso: "In the event that federal funds for city programs become reduced or diminished, the director of the Department of Budget and Fiscal Services shall be authorized to identify and reallocate salary and other savings from executive departments with an anticipated general fund savings exceeding \$500,000 within a certain activity. Immediately following this identification, the director shall transfer and maintain such savings in a reserve account and submit a quarterly report to the council detailing the city program for which the savings have been reallocated to. These savings shall be used to maintain those programs prior to transferring amounts from the Fiscal Stability Fund or provisional funds in the Other Miscellaneous section of this ordinance."

Department's Comments and Concerns:

We oppose the addition of the proviso as the Revised Charter of the City & County of Honolulu (RCH) Section 9-106-2(g) states, "The mayor may transfer an unencumbered appropriation balance or portion thereof within the same department only as prescribed by law. Transfers between departments shall be made only by the council by ordinance upon the recommendation of the mayor." Thus, savings cannot be transferred or reallocated to other programs without a supplementary appropriation. The use of a "reserve account" to move salary and other savings from departments with savings to city programs in need of the savings is not consistent with RCH section 9-106 subsection 2(g).

NEW GENERAL PROVISIO

Councilmember: Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
		Add proviso: "Within 15 days following the enactment of the executive operating budget ordinance, the directors of departments with lapse amounts exceeding \$5,000,000 within a certain activity in fiscal year 2024 shall provide quarterly follow-up reports to the council comparing actual expenditures against the submitted schedules, justifying any changes that were made to the adopted budget. The directors shall also submit a comprehensive written report to the council with specific

DEPARTMENT: BUDGET AND FISCAL SERVICES

May 2, 2025

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justifications for underspending and rationale for maintaining the requested budget amounts in future fiscal years. The report shall also include historical spending patterns by activity specific reasons for past underspending by activity, and mitigation strategies for each identified cause of underspending.”

Department's Comments and Concerns:

As required under the City Charter, executive agencies submit expenditure services schedules, showing the expenditures anticipated for each quarter of the fiscal year. Agencies are able to revise the budgetary allotments during the fiscal year. We therefore, recommend the proviso be deleted as there are a multitude of factors that impact expenditures and identifying justification for specific spending patterns and strategies for future years is an overwhelming task that would create an administrative burden. Expenditure policies are developed to track and monitor cost over-runs/over-spending to ensure spending is fiscally responsible. Having to report “underspending,” will cause confusion and may encourage unnecessary spending rather than efficiency spending.

NEW GENERAL PROVISIO

Councilmember: Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
		Add proviso: “The Director of Budget and Fiscal Services shall submit a monthly report to the City Council on the last day of each month detailing:
		(1) All salary savings generated from vacant positions for each department, and the total accumulated salary savings to date in the current fiscal year for all departments;
		(2) Complete itemization of how such savings have been utilized, including:
		i. Specific expenditures by activity, program, and object code
		ii. Justification for each expenditure’s necessity
		iii. Remaining unallocated balance.”

Department's Comments and Concerns:

Assessing vacant positions and associated salary amounts on a monthly basis as “savings” should be approached with caution. Salary savings and utilization are fluid and fluctuate up and down. Example of factors that affect how salary savings would be used throughout the fiscal year include: retroactive payments, reallocations, vacation pay outs and disasters and emergencies that would require incurring more workhours and overtime by public safety departments (i.e., it is best practice to have cushions for

DEPARTMENT: BUDGET AND FISCAL SERVICES

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the unexpected events impacting public safety). Due to the timing of these adjustments, the first quarter may appear to have savings; however, the next quarter would reflect a shortage in which funds from the first quarter would need to be transferred to the second quarter to cover the shortfall. Additionally, it would create a significant administrative burden to collect the information being requested under (2)i-iii from each Department on a monthly or even quarterly basis.

PROVISION FOR SEWER ACTIVITIES

Councilmember: Waters

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$16,882,517	GN	Transfer General Fund salary savings to Sewer Fund

Department's Comments and Concerns:

The City's bond counsel, John Wang, a partner with Orrick, Herrington & Sutcliffe, testified at the Budget Committee meeting on April 29, 2025, that funding from the General Fund does not legally qualify to meet the requirements of the rate covenant for the wastewater bonds. The rate covenant requires that sewer rates are set at sufficient levels to pay for operations and maintenance (O&M) costs, debt service and required reserves. The use of the General Fund to pay for sewer costs could have the following impacts:

- Lower the bond rating on wastewater revenue bonds, which would increase borrowing costs
- Result in default on the rate covenant because sewer rates are not raised sufficiently to cover the required sewer system costs
- Expose the City to legal risks if bond holders pursue legal remedies that may include making all outstanding wastewater revenue bonds due and payable

TRANSFER TO SOLID WASTE SPECIAL FUND FOR SOLID WASTE SUBSIDY

Councilmember: Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(8,000,000)	GN	Reduce funding for current expenses

Department's Comments and Concerns:

The transfer to the Solid Waste Special Fund for Solid Waste Subsidy is needed to balance the Solid Waste Special Fund. (See also ENV's response)

DEPARTMENT: BUDGET AND FISCAL SERVICES

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TRANSFER TO SEWER FUND

Councilmember: Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$36,954,869	GN	Transfer the Provision for Sewer Activities from GN to SW to ensure that the appropriation remains available for sewer related expenses in future fiscal years to help offset potential sewer fee increases.

Department's Comments and Concerns:

The City's bond counsel, John Wang, a partner with Orrick, Herrington & Sutcliffe, testified at the Budget Committee meeting on April 29, 2025, that funding from the General Fund does not legally qualify to meet the requirements of the rate covenant for the wastewater bonds. The rate covenant requires that sewer rates are set at sufficient levels to pay for operations and maintenance (O&M) costs, debt service and required reserves. The use of the General Fund to pay for sewer costs could have the following impacts:

- Lower the bond rating on wastewater revenue bonds, which would increase borrowing costs
- Result in default on the rate covenant because sewer rates are not raised sufficiently to cover the required sewer system costs
- Expose the City to legal risks if bond holders pursue legal remedies that may include making all outstanding wastewater revenue bonds due and payable

GENERAL PROVISIO 12(m)

Councilmember: Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
		Amend Section 12(m) of General Provisos to read as follows: "Notwithstanding ROH Section 43-8.2 and any other applicable law, and for Fiscal Year 2026 only, general fund monies may be [appropriated, expended, or encumbered for sewer activities if such monies are appropriated in the Provision for Sewer Activities.] <u>transferred to the sewer fund.</u> "

Department's Comments and Concerns:

The City's bond counsel, John Wang, a partner with Orrick, Herrington & Sutcliffe, testified at the Budget Committee meeting on April 29, 2025, that funding from the General Fund does not legally qualify to meet the requirements of the rate covenant for the wastewater bonds. The rate covenant requires that sewer rates are set at sufficient

DEPARTMENT: BUDGET AND FISCAL SERVICES

May 2, 2025

Page 5

levels to pay for operations and maintenance (O&M) costs, debt service and required reserves. The use of the General Fund to pay for sewer costs could have the following impacts:

- Lower the bond rating on wastewater revenue bonds, which would increase borrowing costs
- Result in default on the rate covenant because sewer rates are not raised sufficiently to cover the required sewer system costs
- Expose the City to legal risks if bond holders pursue legal remedies that may include making all outstanding wastewater revenue bonds due and payable

DEPARTMENT OF COMMUNITY SERVICES
KA 'OIHANA LAWELawe KAIĀULU
CITY AND COUNTY OF HONOLULU

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*25 MAY 7 AM 11:02 CIP & OPER

RICK BLANGIARDI
MAYOR
ME/IA



ANTON C. KRUCKY
DIRECTOR
PO'O

AEDWARD LOS BANOS
DEPUTY DIRECTOR
HOPE PO'O

May 2, 2025

MEMORANDUM

TO: Michael D. Formby, Managing Director

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

FROM: Anton C. Krucky, Director *Anton C. Krucky*
Department of Community Services

SUBJECT: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

ELDERLY AFFAIRS

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$71,016	GN	Restore funding for salaries for Planner V (020613)

Department's Comments and Concerns:

We appreciate the Council restoration of funding of salaries for Planner V.

DCS respectfully requests full restoration of GN salary funding for Supervising Community Service Worker position (\$46,944) which was reduced in CD1. The Elderly Affairs Division (EAD) is currently awaiting final review and approval of a re-organization plan. Upon finalization of the plan, the position will be filled as a Planner overseeing state and federal funded service contracts with community providers to support older adults and caregivers. Not funding this position will impact the Division's ability to get state and federal monies out into the community to provide supportive services such as home delivered meals, bathing services, adult day care, and senior centers. EAD has a pool of employees currently on contract that would be eligible for this position, upon approval of the re-organization.

DCS also respectfully requests full restoration of GN salary funding for 6 Community Service Worker positions (\$188,136) which were reduced in CD1. Elderly Affairs Division (EAD) is currently awaiting final review and approval of a re-organization plan. Upon finalization of the plan, the 6 positions will be filled as Community Service Specialists to provide direct services for kupuna and caregivers including options counseling, service coordination, client and caregiver assessments, outreach and education, and case management services. Not funding these positions will adversely impact EAD's ability to provide needed and timely services for kupuna and caregivers. EAD has a pool of employees currently on contract that would be eligible for these positions, upon approval of the re-organization.

Funding for these salaries will also be considered as contingency funds to mitigate affected federal funds cut in FY26.

WORKHAWAII

Councilmember: Andria Tupola

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$150,000	GN	Add funding for salaries. Add proviso: "At least one full-time equivalent (FTE) position and \$150,000 shall be appropriated to provide case management services to assist families along the housing spectrum, from homelessness to homeownership."

Department's Comments and Concerns:

We appreciate the Council add, however we respectfully decline and request your support for the restoration of positions proposed for reduction in the CD1.

Councilmember: Matt Weyer

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$292,335	GN	Add funding for salaries. Add proviso: "At least \$292,335 out of salaries shall be appropriated to fund core administrative and operational support services that are not chargeable to federal grants and that are essential to ensuring uninterrupted workforce program delivery and federal fund compliance, including fiscal oversight, compliance monitoring, procurement coordination, IT support, and office administration."

Department's Comments and Concerns:

We appreciate the Council add. However, it is an overlap with the council add from CM Dos Santos-Tam and we respectfully decline these funds.

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$292,334	GN	Add funding for salaries. Add proviso: "At least \$292,334 shall be appropriated for the salaries for 6 positions in the WorkHawaii division: (1) Office Assistant III (2) Secretary III (3) Planner V (4) Planner V (5)Planner III (6) IT Specialist."

Department's Comments and Concerns:

We appreciate the Council add.

COMMUNITY ASSISTANCE

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$57,192	GN	Restore funding for salaries for: 070775: URBAN REHABILITATION INSPECTOR I

Department's Comments and Concerns:

We appreciate the Council restoration of funding of salaries for HR906 Urban Rehab Inspector I position since it was filled on March 17, 2025. The position is with Community Assistance Division rather than with Community Based Development Division.

DCS respectfully requests full restoration of GN salary funding for HR905, Urban Rehab Inspector II (\$61,884) and HR914, Office Assistant III (\$40,248) which were reduced in CD1. The Division is in the process of filling this vacancy. The salary savings would also be considered as contingency funds to mitigate affected federal funds cut in FY26.

COMMUNITY BASED DEVELOPMENT

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$57,192	GN	Restore funding for salaries for: 070775: URBAN REHABILITATION INSPECTOR I

Department's Comments and Concerns:

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DCS respectfully requests full restoration of salary funding for HR905, Urban Rehab Inspector II and HR914, Office Assistant III positions which were reduced in CD1. The Division is in the process of filling this vacancy. The salary savings would also be considered as contingency funds to mitigate affected federal funds cut in FY26.

COMMUNITY BASED DEVELOPMENT

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(88,558)	GN	Reduce funding for current expenses for OC3990 - Other Fixed Charges

Department's Comments and Concerns:
This item is the Affordable Housing Fund (AF) rather than General Fund (GN). DCS has no comments on the Affordable Housing Fund since we are no longer managing the Affordable Housing funds.

PROPOSED CD2 GENERAL PROVISOS TO BILL 22 (2025) CD1 Amendment

SECTION 15

Department's Comments and Concerns:
Section 15 should be amended to include Departmental Communication 160 (2025), Exhibits A and B which is the Fiscal Year 2026 Grants In Aid Advisory Commission's Report. Section 15 should be amended as below:

Monies in the Grants in Aid Fund shall be used first for those projects [selected] reviewed by the Grants in Aid Advisory Commission and listed in Departmental Communication 160 (2025) ("D-160"), Exhibit B, Appendix 5, and for administrative expenses; and second, in the event the amount appropriated from the Grants in Aid Fund for projects exceeds the funding necessary for the projected listed in D-160, Exhibit B, Appendix 5, the excess amount shall be appropriated for the highest scored projects not recommended for funding as ranked in D-160, Exhibit B, Appendix 5[.] and third, in the event the amount appropriated from the Grants in Aid Fund is less than the amount necessary for all the projects recommended for funding in D160, Exhibit B, Appendices 2 and 5, the decreased amount shall be applied to the funding for the lowest scored projects recommended for funding by the Grants in Aid Advisory Commission; provided that such decreased amounts do not conflict with Resolution 20-263, CD1, as many be amended. The amount appropriated from the Grants in Aid Fund for each project shall be the amount recommended by the Grants in Aid Advisory Commission as set forth in the report attached to D-160. The Director of Community Services and the Director of Budget and Fiscal Services are hereby authorized to enter into grant agreements relating to appropriations from the Grants in Aid Fund and the use and administration of said appropriations as well as any other incidental agreements in connection therewith, or amendments thereto, as may be reasonably required and to expend such appropriations for the purpose described above.

**DEPARTMENT OF THE CORPORATION COUNSEL
KA 'OIHANA A'OA'O 'AHAHUINA
CITY AND COUNTY OF HONOLULU**

1001 BISHOP STREET, SUITE 2020 • HONOLULU, HAWAII 96813
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RICK BLANGIARDI
MAYOR
MEIA



DANA M.O. VIOLA
CORPORATION COUNSEL
A'OA'O 'AHAHUINA

RENEE R. SONOBE HONG
FIRST DEPUTY CORPORATION COUNSEL
HOPE PO'O MUA O KE A'OA'O 'AHAHUINA

May 1, 2025

MEMORANDUM

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: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

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Viola, Dana M O
Date: 2025.05.01
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Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

PROVISION FOR JUDGMENTS, SETTLEMENTS AND LOSSES

Councilmember(s): Andria Tupola

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(1,122,349)	GN	Reduce funding for current expenses

Department's Comments and Concerns:

A total of \$19.5 mil is requested for judgments, settlements, and losses in FY26. The City has carried two-tiered excess insurance for many years. The first tier insurer's policy would be triggered when the City's self-insured retention is spent, and the second carrier's policy would be triggered when the first tier of insurance is spent. If both tiers of excess insurance are spent, then the duty to pay will fall on the City.

Estimate for FY2026

COR attorneys reviewed pending matters and cases for which we anticipate judgments or settlements, and estimated a total of \$19.5 million will likely be needed to fund payouts from the Provision for Judgments, Settlements and Losses in FY2026. The matters included in the estimated total are likely to conclude between July 1, 2025 and June 30, 2026. This estimate also takes into consideration the related amount of self-insured retention per claim, which has incrementally increased in recent years from \$2 million (FY2019), \$5 million (FY2020), \$7.5 million (FY2021) and \$10 million (FY2022). The amount of deductible depends on when the event that led to the litigation occurred.

The \$19.5 million currently requested represents COR's best-educated estimate of the outcome of the pending cases. There are a number of factors that may affect 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 would mean the City could not pay for settlements or judgments, which may necessitate the structuring of multi-year agreements that generally result in higher costs to the City because of the interest required to settle a case with staggered payments or by order of the court.

We respectfully request full restoration of the \$19.5 mil Provision for Judgments, Settlements and Losses.

DEPARTMENT: CORPORATION COUNSEL

PROVISION FOR JUDGMENTS, SETTLEMENTS AND LOSSES

Councilmember(s): Matt Weyer

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(563,637)	GN	Reduce funding for current expenses

Department's Comments and Concerns:

A total of \$19.5 mil is requested for judgments, settlements, and losses in FY26. The City has carried two-tiered excess insurance for many years. The first tier insurer's policy would be triggered when the City's self-insured retention is spent, and the second carrier's policy would be triggered when the first tier of insurance is spent. If both tiers of excess insurance are spent, then the duty to pay will fall on the City.

Estimate for FY2026

COR attorneys reviewed pending matters and cases for which we anticipate judgments or settlements, and estimated a total of \$19.5 million will likely be needed to fund payouts from the Provision for Judgments, Settlements and Losses in FY2026. The matters included in the estimated total are likely to conclude between July 1, 2025 and June 30, 2026. This estimate also takes into consideration the related amount of self-insured retention per claim, which has incrementally increased in recent years from \$2 million (FY2019), \$5 million (FY2020), \$7.5 million (FY2021) and \$10 million (FY2022). The amount of deductible depends on when the event that led to the litigation occurred.

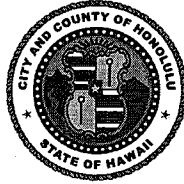
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We respectfully request full restoration of the \$19.5 mil Provision for Judgments, Settlements and Losses.

DEPARTMENT OF DESIGN AND CONSTRUCTION
KA 'OIHANA HAKULAU A ME KE KĀPILI
CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI
MAYOR
MEIA



HAKU MILLES, P.E.
DIRECTOR
PO'O

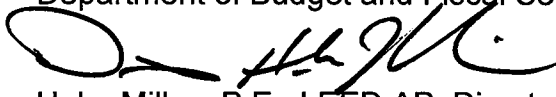
MARK YONAMINE, P.E.
DEPUTY DIRECTOR
HOPE PO'O

May 1, 2025

MEMORANDUM

TO: Michael D. Formby, Managing Director

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

FROM:  Haku Milles, P.E., LEED AP, Director

SUBJECT: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

PROJECT AND CONSTRUCTION MANAGEMENT

Councilmember(s): Tommy Waters

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(250,000)	GN	Reduce funds for Repairs at Koko Head Stables. Move to CIP

Department's Comments and Concerns:

We respectfully request that the funding be kept in the Operating Budget. \$250,000 is earmarked for the demolition of the Koko Head Stables. If the funds are moved to the CIP Budget, they can't be utilized for demolition purposes.

Councilmember(s): Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(102,300)	GN	Funding not restored for salaries: Civil Engineer V (OC 1101).

Department's Comments and Concerns:

We respectfully request the full restoration of this position and its associated funding. Reducing the Civil Engineer V will directly impact the number of CIP projects the Facilities Division can manage. The position is critical for the Facilities Division to successfully manage the proposed increase of CIP projects in FY2026. The Division is functioning with a significant shortage of professional staff that cannot be sustained in the long term. We are actively recruiting for this position and anticipate filling it by the end of FY2025.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(124,308)	GN	Funding not restored for salaries: Second Design & Construction Branch Chief (OC 1101).

Department's Comments and Concerns:

We sincerely appreciate the restoration of funding for one of the two Design & Construction Branch Chiefs. However, we respectfully request that the second Design & Construction Branch Chief position and the corresponding funding also be restored. We are actively interviewing and projecting to fill it soon. The position is in the Construction Management Branch (CMB). The CMB Chief is a critical position to fill, as they administer, direct, and coordinate the activities of the Branch for Capital Improvement Program (CIP) and Operating Budget projects. The elimination of funding will limit our ability to fill the position; staff members may continue to be temporarily reassigned to the CMB Chief and perform the duties of two positions, which will slow down the completion of projects.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(52,908)	GN	Funding not restored for salaries: Architectural Drafting Tech III (OC 1101).

Department's Comments and Concerns:

We respectfully request the full restoration of this position and its associated funding. The elimination of this position will hinder the efforts for electronic management, documentation, and scanning of all files. Electronic-held documents increase the ease and speed of retrieval while reducing the need for physical storage. We've recently reallocated Architectural Drafting Tech III to Drafting Tech (DT) V to align the duties with the Division's current operational needs. However, we were informed by DHR that there would be no applicants for the DT V position, and as such, they recommended downgrading to DT III, which is in the process.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(72,264)	GN	Funding not restored for salaries: Supervising Building Construction Inspector (OC 1101).

Department's Comments and Concerns:

We respectfully request the full restoration of this position and its associated funding. This position supervises the inspection of all phases of construction. Proposed funding cuts will limit our ability to fill the position and our capacity to complete projects. We are actively recruiting for this position and anticipate filling it shortly.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(300,000)	GN	Funding not restored for current expenses: Consultant Services (OC 3004).

Department's Comments and Concerns:

We sincerely appreciate the restoration of the funding for hazardous material investigations. However, we also respectfully request the restoration of the \$300,000 earmarked for a staff augmentation contract. For the current fiscal year, the majority of \$300,000 is projected to be spent on various projects.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(60,000)	GN	Funding not restored for current expenses: Other Building & Construction Materials (OC 2607).

Department's Comments and Concerns:

Funding has not been restored in the CD2 Proposed Amendments. We respectfully request full funding restoration. Funding cuts will limit our ability to respond and provide furniture to the requesting agencies. Unanticipated moves may occur in Kapolei Hale and the 1st floor of Fasi Municipal Building. We need these funds to support agencies when they relocate and have no budget to cover the associated costs.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(155,000)	GN	Funding not restored for current expenses: Other Professional Services (OC 3006).

Department's Comments and Concerns:

Funding has not been restored in the CD2 Proposed Amendments. We respectfully request full restoration of funding. If funds are eliminated, any unanticipated need to renovate city-leased spaces will not be resolved in a timely manner. As a standard practice, departments/agencies that require renovation or relocation are expected to support the project with their own operating funds. This budget item is used when there are inadequate funds to complete the work. This typically occurs during unexpected events and/or with newly occupied or leased spaces. We are working with the Department of Land Management to identify potential needs.

HONOLULU EMERGENCY SERVICES DEPARTMENT
KA 'OIHANA LAWELAWA ULIA PŌPILIKIA O HONOLULU
CITY AND COUNTY OF HONOLULU

3375 KOAPAKA STREET, SUITE H450 • HONOLULU, HAWAII 96819
PHONE: (808) 723-7800 • FAX: (808) 723-7836 • WEB: <https://emergencyservices.honolulu.gov/>

RICK BLANGIARDI
MAYOR
MEIA



JAMES H.E. IRELAND, M.D.
DIRECTOR
PO'O

IAN T. T. SANTEE, MPA
DEPUTY DIRECTOR
HOPE PO'O

May 2, 2025

MEMORANDUM

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

SUBJECT: Bill 22 (2025) Operating Budget CD2 Response (Comments and Concerns)

Attached is our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

EMERGENCY MEDICAL SERVICES

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$3,025,000)	GN	Reduce funding for equipment.

Department's Comments and Concerns:

Emergency Medical Services Division requests restoration of funding for equipment to be budgeted in the Operating Budget. The department and division are in alignment with the CIP Budget Administration's decision to fund the much needed ambulances in the Operating Budget. The remounts for the ambulances are not the acquisition of equipment with the useful life consistent with the term of the bond.

**DEPARTMENT OF ENVIRONMENTAL SERVICES
KA 'OIHANA LAWELAWE KAIĀPUNI
CITY AND COUNTY OF HONOLULU**

1000 ULU'ŌHI'A STREET, SUITE 308 • KAPOLEI, HAWAII 96707
PHONE: (808) 768-3486 • FAX: (808) 768-3487 • WEBSITE: honolulu.gov

RICK BLANGIARDI
MAYOR
MEIA



May 5, 2025

ROGER BABCOCK, JR., Ph.D., P.E.
DIRECTOR
PO'O

DANIEL BRIECK, P.E.
DEPUTY DIRECTOR
HOPE PO'O

MICHAEL O'KEEFE
SECOND DEPUTY DIRECTOR
KA LUA O KA HOPE PO'O


IN REPLY REFER TO:
WAS 25-66

MEMORANDUM

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

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

FROM: Roger Babcock, Jr., Ph.D., P.E., Director
Department of Environmental Services

 Digitally signed by Briek, Daniel J
DN: cn=Briek, Daniel J
Date: 2025.05.05 16:14:29 -10'00'

SUBJECT: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

Provision for Sewer Activities

Councilmember: Tommy Waters

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
16,882,517	GN	Current Expense - Transfer to Sewer Fund for sewer fee subsidy, Transfer General Fund salary savings to Sewer Fund

Department's Comments and Concerns:

While the intent may be to redirect these funds to support the sewer fund and help offset proposed rate increases, doing so would present significant legal and financial concerns. The wastewater bond rate covenant requires the City to set sewer rates at sufficient levels to generate revenues to allow the City to cover its O&M expenses as well as its annual obligations to make debt service payments on the bonds, plus a certain cushion. Monies generated from a surplus in the City's general fund or any other monies derived from the general fund do not legally qualify as monies to meet this requirement. Redirecting General Fund dollars to sewer projects may expose the City to legal risk for violating the covenant and could raise concerns which could negatively affect the City's bond rating for both sewer revenue bonds and general obligation bonds.

Refuse Collection and Disposal

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$8,000,000)	WF-GN	Reduce funding for equipment, moved Equipment to CIP, Transferring \$8,000,000.00 in WF-GN to SW

Department's Comments and Concerns: Request these funds not be reduced.

Refuse Collection and Disposal Division request the restoration of \$8,000,000.00 in equipment as budgeted. These funds are critical for the procurement of equipment which includes refuse trucks which are needed to replace an aging fleet and maintain reliable solid waste collection services. Without this funding, the Department risks increased vehicle downtime, higher maintenance costs, and potential service disruptions that would directly impact residents.

While the intent may be to redirect these funds to support the sewer fund and help offset proposed rate increases, doing so would present significant legal and financial concerns. The wastewater bond rate covenant requires the City to set sewer rates at sufficient levels to generate revenues to allow the City to cover its O&M expenses as well as its annual obligations to make debt service payments on the bonds, plus a certain cushion. Monies generated from a surplus in the City's general fund or any other monies derived from the general fund do not legally qualify as monies to meet this requirement. Redirecting General Fund dollars to sewer projects may

expose the City to legal risk for violating the covenant and could raise concerns which could negatively affect the City's bond rating for both sewer revenue bonds and general obligation bonds.

Provision for Sewer Activities

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$16,882,517)	GN	Reduce fund for current expenses Transferring GN to SW (see Transfer to Other Fund)

Department's Comments and Concerns:

While the intent may be to redirect these funds to support the sewer fund and help offset proposed rate increases, doing so would present significant legal and financial concerns. The wastewater bond rate covenant requires the City to set sewer rates at sufficient levels to generate revenues to allow the City to cover its O&M expenses as well as its annual obligations to make debt service payments on the bonds, plus a certain cushion. Monies generated from a surplus in the City's general fund or any other monies derived from the general fund do not legally qualify as monies to meet this requirement. Redirecting General Fund dollars to sewer projects may expose the City to legal risk for violating the covenant and could raise concerns which could negatively affect the City's bond rating for both sewer revenue bonds and general obligation bonds.

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$36,954,869	SW	Add funding for current expenses. Added \$12,132,352 from the \$12,525,000 proposed total cuts (GN) and \$8,000,000 (WF-GN). See Transfer to Solid Waste Special Fund and Transfer to Other Fund

Department's Comments and Concerns:

While the intent may be to redirect these funds to support the sewer fund and help offset proposed rate increases, doing so would present significant legal and financial concerns. The wastewater bond rate covenant requires the City to set sewer rates at sufficient levels to generate revenues to allow the City to cover its O&M expenses as well as its annual obligations to make debt service payments on the bonds, plus a certain cushion. Monies generated from a surplus in the City's general fund or any other monies derived from the general fund do not legally qualify as monies to meet this requirement. Redirecting General Fund dollars to sewer projects may expose the City to legal risk for violating the covenant and could raise concerns which could negatively affect the City's bond rating for both sewer revenue bonds and general obligation bonds.

Transfer to Solid Waste Special Fund for Solid Waste Subsidy

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$8,000,000)	GN	Reduce funding for current expense

Department's Comments and Concerns:

Refuse Collection and Disposal Division request the restoration of \$8,000,000.00 in equipment as budgeted. These funds are critical for the procurement of equipment which includes refuse trucks which are needed to replace an aging fleet and maintain reliable solid waste collection services. Without this funding, the Department risks increased vehicle downtime, higher maintenance costs, and potential service disruptions that would directly impact residents.

While the intent may be to redirect these funds to support the sewer fund and help offset proposed rate increases, doing so would present significant legal and financial concerns. The wastewater bond rate covenant requires the City to set sewer rates at sufficient levels to generate revenues to allow the City to cover its O&M expenses as well as its annual obligations to make debt service payments on the bonds, plus a certain cushion. Monies generated from a surplus in the City's general fund or any other monies derived from the general fund do not legally qualify as monies to meet this requirement. Redirecting General Fund dollars to sewer projects may expose the City to legal risk for violating the covenant and could raise concerns which could negatively affect the City's bond rating for both sewer revenue bonds and general obligation bonds.

Transfer to Other Fund

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$36,954,869	GN	Transfer to Sewer Fund Transfer the Provision for Sewer Activities from GN to SW to ensure that the appropriation remains available for sewer related expenses in future fiscal years to help offset potential sewer fee increases

Department's Comments and Concerns:

While the intent may be to redirect these funds to support the sewer fund and help offset proposed rate increases, doing so would present significant legal and financial concerns. The wastewater bond rate covenant requires the City to set sewer rates at sufficient levels to generate revenues to allow the City to cover its O&M expenses as well as its annual obligations to make debt service payments on the bonds, plus a certain cushion. Monies generated from a surplus in the City's general fund or any other monies derived from the general fund do not legally qualify as monies

to meet this requirement. Redirecting General Fund dollars to sewer projects may expose the City to legal risk for violating the covenant and could raise concerns which could negatively affect the City's bond rating for both sewer revenue bonds and general obligation bonds.

PROVISOS

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
		Amend Section 12 (m) of General Proviso to read as follows: "Notwithstanding ROH Section 43-8.2 and any other applicable law, and for Fiscal Year 2026 only, general fund monies may be transferred to the sewer fund.

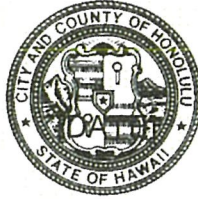
Department's Comments and Concerns:

While the intent may be to redirect these funds to support the sewer fund and help offset proposed rate increases, doing so would present significant legal and financial concerns. The wastewater bond rate covenant requires the City to set sewer rates at sufficient levels to generate revenues to allow the City to cover its O&M expenses as well as its annual obligations to make debt service payments on the bonds, plus a certain cushion. Monies generated from a surplus in the City's general fund or any other monies derived from the general fund do not legally qualify as monies to meet this requirement. Redirecting General Fund dollars to sewer projects may expose the City to legal risk for violating the covenant and could raise concerns which could negatively affect the City's bond rating for both sewer revenue bonds and general obligation bonds.

**DEPARTMENT OF FACILITY MAINTENANCE
KA 'OIHANA MĀLAMA HALE
CITY AND COUNTY OF HONOLULU**

1000 ULU'OHIA STREET, SUITE 215, KAPOLEI, HAWAII 96707
PHONE: (808) 768-3343 • Fax: (808) 768-3381 • WEBSITE: honolulu.gov

RICK BLANGIARDI
MAYOR
MEIA



GENE C. ALBANO, P.E.
DIRECTOR AND CHIEF ENGINEER
PO'O A ME LUNA NUI 'ENEKINIA

WARREN K. MAMIZUKA
DEPUTY DIRECTOR
HOPE PO'O

IN REPLY REFER TO:
24-113

May 2, 2025

MEMORANDUM

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

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

FROM: Gene C. Albano, P.E.
Director and Chief Engineer
Department of Facility Maintenance

A handwritten signature in blue ink, reading "Gene C. Albano", is written over the printed name and title of the sender.

Digitally signed by
Albano, Gene
Date: 2025.05.02
11:46:26-10'00"

SUBJECT: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

Attached is our agency's comments and concerns to Bill 22 Proposed CD2 Amendments.

Attachment

DEPARTMENT: Facility Maintenance
May 2, 2025
Page 1

ACTIVITY TITLE: ADMINISTRATION - CHIEF ENGINEER'S OFFICE (CEO)

Councilmember: Esther Kia'aina

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$76,788)	GN	Delete funding for salaries. Remove proviso: "At least \$76,788 out of salaries shall be appropriated for an Information Specialist III position."

Department's Comments and Concerns:

No objection.

ACTIVITY TITLE: DIVISION OF ROAD MAINTENANCE (DRM)

Councilmember: Scott Nishimoto

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$1,000,000	GN	Add funding for current expenses. Add proviso: At least \$1,000,000 out of current expenses shall be appropriated for emergency and routine maintenance and repair of streams, channels, and ditches within the Ala Wai Watershed

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$8,000,000	HW	Restore funding for current expenses for OC3551 Street Resurfacing, Add proviso: "Provided that at least \$8,000,000 be appropriated for improvements to roads in Kakaako"

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$150,000)	GN	Reduce funding and delete proviso: "At least \$150,000 out of current expenses shall be appropriated for homelessness services for the Waikiki Business Improvement District Association."

Department's Comments and Concerns:

The department respectfully objects to the addition of \$1,000,000 and proviso that "At least \$1,000,000 out of current expenses shall be appropriated for emergency and routine maintenance and repair of streams, channels, and ditches within the Ala Wai

Watershed". Emergency and routine maintenance of streams, channels, and ditches are currently performed by civil service City employees. The department appreciates the offer to provide increased current expense funding but it is assumed that the addition of current expense funds would be used to contract out work typically performed by City personnel. Contracting out work performed by City personnel would be subject to grievances filed by the labor unions to protect City personnel currently performing such work.

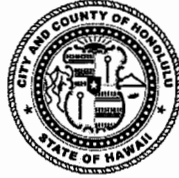
The department supports the restoration of funding for current expenses for OC3551 Street Resurfacing. The department respectfully objects to the proviso: "Provided that at least \$8,000,000 be appropriated for improvements to roads in Kakaako" since funds are already being allotted for the resurfacing of roads in Kakaako using FY2025 OC3551 Street Resurfacing funds. The proviso would prevent funds to be used for mill/fill Street Resurfacing ID/IQ projects and the Pavement Preservation projects in areas outside of Kakaako where these work are sorely needed since all \$8,000,000 of the FY2026 OC3551 Street Resurfacing funds would be reserved for roads in Kakaako.

No objection to reduce funding and delete proviso: "At least \$150,000 out of current expenses shall be appropriated for homelessness services for the Waikiki Business Improvement District Association

DEPARTMENT OF INFORMATION TECHNOLOGY
KA 'OIHANA 'ENEHANA
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 5TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-7684 • FAX: (808) 768-7807 • WEBSITE: honolulu.gov/it

RICK BLANGIARDI
MAYOR
MEIA



BRIAN McKEE
DIRECTOR AND CHIEF INFORMATION
OFFICER
PO'O AND KAHU LUNA 'IKEPILI

STEPHEN COURTNEY
DEPUTY DIRECTOR
HOPE PO'O

May 5, 2025

MEMORANDUM

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

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

FROM: Brian C. McKee, Director and Chief Information Officer
Department of Information Technology

SUBJECT: FY2026 Operating Budget CD2 Response (Comments and Concerns)

Digitally signed by
McKee, Brian
Date: 2025.05.05
15:32:53 -10'00'

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

ADMINISTRATION

Councilmember: Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$3,070,000	110	Add funding for current expenses for OC2459 – Other. Add proviso: “3,070,000 shall be appropriated for Microsoft G5 (Office 365) and associated costs.”

Department's Comments and Concerns:

While the department appreciates the addition of funds for the purchase of Microsoft G5 (Office 365 for Government), we respectfully decline. Our department instead requests that these funds be re-prioritized for the settlement of Hazard Pay obligations in Fiscal Year 2026.

OFFICE OF THE MAYOR
KE KE'ENA O KA MEIA
CITY AND COUNTY OF HONOLULU

530 SOUTH KING STREET, ROOM 300 • HONOLULU, HAWAII 96813
PHONE: (808) 768-4141 • FAX: (808) 768-4242 • WEBSITE: honolulu.gov

RICK BLANGIARDI
MAYOR
MEIA



MICHAEL D. FORMBY
MANAGING DIRECTOR
PO'O HO'OKELE


KRISHNA F. JAYARAM
DEPUTY MANAGING DIRECTOR
HOPE PO'O HO'OKELE

May 2, 2025

MEMORANDUM

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

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

FROM: Krishna F. Jayaram, Deputy Managing Director 
Office of the Managing Director

SUBJECT: Bill 22 (2026) Operating Budget CD2 Response (Comments and Concerns)

Attached is our agency's comments and concerns to Bill 22 proposed amendments.

Attachment

DEPARTMENT: MAY

May 2, 2025

Page 2

CONTINGENCY FUND**Councilmember: Dos Santos-Tam**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$39,999	GN	Restore funding for current expenses. Add proviso: "\$30,000 shall be appropriated for the Joint Sister-City Event in Japan."

Department's Comments and Concerns:

We respectfully defer to the discussion had by the Director of Budget and Fiscal Services and Budget Chair Tyler Dos Santos-Tam, as our position will be consistent with their recommendation. The BFS Director requested an increase to Mayor's contingency fund by \$30,000 to cover the one-time, joint Sister-City event in Japan.

CITY MANAGEMENT**Councilmember: Dos Santos-Tam**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$150,000	GN	Add funding for current expenses. Add proviso: "At least \$150,000 out of current expenses shall be appropriated for homelessness services for the Waikiki Business Improvement District Association."

Department's Comments and Concerns:

We engaged in discussions with the Waikiki Business Improvement District Association regarding the proposed allocation of \$150,000 for homelessness services. Based on these conversations, the Association has indicated that this initiative is not a current priority for them. As such, both parties are in agreement that it is not necessary to include this funding proviso in the budget at this time.

**DEPARTMENT OF THE MEDICAL EXAMINER
KA 'OIHANA O KE KAUKA KILO KUPAPA'U
CITY AND COUNTY OF HONOLULU**

650 IWILEI ROAD, SUITE 205 • HONOLULU, HAWAII 96817
TELEPHONE: (808) 768-3090 • FAX: (808) 768-3099 • WEBSITE: honolulu.gov

RICK BLANGIARDI
MAYOR
MEIA



MASAHIKO KOBAYASHI, M.D., Ph.D.
MEDICAL EXAMINER
KAUKA KILO KUPAPA'U

SASHA BRELAND, M.D.
DEPUTY MEDICAL EXAMINER
HOPE KAUKA KILO KUPAPA'U

IN REPLY REFER TO:
25-33

May 2, 2025


MEMORANDUM

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

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

FROM: Masahiko Kobayashi, M.D., Ph.D., Medical Examiner
Department of the Medical Examiner

SUBJECT: FY 2026 Operating Budget CD2 Response for the Department of the
Medical Examiner

 Digitally signed by
Kobayashi, Masahiko
Date: 2025.05.02
12:48:31 -10'00'

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

Department of the Medical Examiner

May 2, 2025

Page 1

Attachment

INVESTIGATION OF DEATHS

Councilmember: Tommy Waters

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(50,880)	GN	Reduction in funding for salaries for: 010958: MEDICAL EXAMINER'S RECORDS TECHNICIAN

Department's Comments and Concerns:

The Department of the Medical Examiner does not support this proposed salary reduction and respectfully requests the full restoration of \$50,880 in funding for salaries.

This funding is critical to filling a vacancy for a Medical Examiner's Records Technician, a position requiring specialized medical transcription experience to perform essential tasks related to an increasing demand for postmortem examinations, record-keeping, and death certificate processing. Currently, the position is pending the completion of a union consultation as part of a departmental reorganization. This reorganization will reclassify the role to a working supervisor for the Medical Examiner's Records section, which is necessary to enhance oversight and improve efficiency.

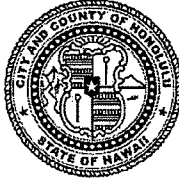
Reducing funding for this position will have a direct negative impact on the section's ability to maintain adequate staffing levels, achieve performance goals, and ensure the timely processing of autopsy reports and death certificates. The Department is committed to providing efficient and effective services, and filling this position is vital to that mission.

Therefore, we respectfully request the full restoration of the \$50,880 to ensure the continued success of the Department of the Medical Examiner.

**DEPARTMENT OF PARKS AND RECREATION
KA 'OIHANA MĀLAMA PĀKA A ME NĀ HANA HO'ONANEA
CITY AND COUNTY OF HONOLULU**

1000 ULU'ŌHI'A STREET, SUITE 309 • KAPOLEI, HAWAII 96707
PHONE: (808) 768-3003 • FAX: (808) 768-3053 • WEBSITE: honolulu.gov/parks

RICK BLANGIARDI
MAYOR
MEIA



LAURA H. THIELEN
DIRECTOR
PO'O


EDWARD "TED" HAYDEN
DEPUTY DIRECTOR
HOPE PO'O

May 5, 2025

MEMORANDUM

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

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

FROM: *rw* Laura H. Thielen, Director 

SUBJECT: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

DEPARTMENT: Department of Parks and Recreation

May 5, 2025

Page 2 of 5

URBAN FORESTRY**Councilmember Tyler Dos Santos-Tam**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$76,788	GN	Restore funding for salaries for OC1101 – Regular Pay

Department's Comments and Concerns:

The Department of Parks and Recreation (DPR) supports the restoration of salaries in the amount of \$76,788. DPR has completed and submitted a request to reorganize this Landscape Architect III (R0405) position to an Arborist position, which will be responsible for quality control of the contract pruning services. The reorganization request is currently being processed by DHR/BFS and undergoing union review. This position is an integral part of DUF's management of city street and park trees island wide, providing quality control for DUF's tree maintenance contracts, follows up on arborist reports of potential tree hazards, inspects palms for CRB; assists with 24/7 emergency response.

MAINTENANCE SUPPORT SERVICES**Councilmember Tyler Dos Santos-Tam**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$300,000	GN	Add funding for current expenses OC3049 - Other Services Not Classified. Add proviso: "Up to \$300,000 shall be appropriated to repave the Nu'uaniu Valley Park parking lot"

Department's Comments and Concerns:

DPR respectfully declines add to current expense as the requests for additional projects will be reviewed based on available staff resources.

Councilmember Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$2,500,000	GN	Add funding for current expenses. Add proviso: "Up to \$277,000 shall be appropriated per council district for park and garden improvements."

Department's Comments and Concerns:

DPR has no comment on proposed addition of funds or proviso language.

DEPARTMENT: Department of Parks and Recreation

May 5, 2025

Page 3 of 5

Councilmember Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$500,000	HN	Add funding for current expenses. Add proviso: "At least \$500,000 out of current expenses shall be appropriated for OC3049 for replacement of all internal and external doors in the Hanauma Bay Visitor Center and Gift Shop."

Department's Comments and Concerns:

DPR supports amendment as requested in Departmental Communication No. 308 (25) relating to needed improvements at Hanauma Bay.

Councilmember Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$200,000	HN	Add funding for current expenses. Add proviso: "At least \$200,000 out of current expenses shall be appropriated for OC3049 for the replacement of roll up gates at Hanauma Bay Beach Comfort Station, Food Concession and Snorkel Concession."

Department's Comments and Concerns:

DPR supports amendment as requested in Departmental Communication No. 308 (25) relating to needed improvements at Hanauma Bay.

Councilmember Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$185,456	GN	Add two positions and funding for salaries for full time Electricians. Add proviso: " At least \$94,728 out of salaries shall be appropriated for Electrical Engineer IV."

Department's Comments and Concerns:

DPR respectfully declines add of two positions and funding for salaries for full time Electricians. Under a prior DPR Administration in 2006, the Maintenance Support Services (MSS) Division went through a reorganization in which two electrician positions were transferred from DPR to the Department of Facility Maintenance. The current organizational structure of MSS does not support the addition of two positions and funding for salaries for electricians.

DEPARTMENT: Department of Parks and Recreation

May 5, 2025

Page 4 of 5

Councilmember Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$150,000	GN	Add funding for current expenses. Add proviso: "At least \$110,000 out of current expenses shall be appropriated for a perimeter irrigation system for Makalapa Neighborhood Park and \$40,000 for security cameras at Salt Lake District Park."

Department's Comments and Concerns:

DPR respectfully declines add to current expense as the requests for additional projects will be reviewed based on available staff resources.

RECREATION SERVICES

Councilmember Andria Tupola

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$250,000	GN	Add funding for current expenses. Add proviso: "At least \$250,000 out of current expenses shall be appropriated to subsidize Summer Fun activity fees for participants in the Wai'anae Complex."

Department's Comments and Concerns:

DPR respectfully declines add to current expenses to subsidize Summer Fun activity fees for participants in the Wai'anae Complex. DPR would support a subsidized Summer Fun program for all participants in Title I communities. Previously, DPR applied for ARPA-FRF funding to subsidize Summer Fun program fees for two years for participants island-wide targeting Title I communities at a total cost \$840,000. DPR is currently working with the Prosecuting Attorney's office for a grant for FY25 to help subsidize summer fun activity fees for participants.

Councilmember Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$500,000	HN	Add funding for current expenses. Add proviso: "At least \$500,000 out of current expenses shall be appropriated for OC2757 for the replacement of Audio/Visual Equipment for Hanauma Bay theater education program for national and international visitors."

Department's Comments and Concerns:

DPR supports amendment as requested in Departmental Communication No. 308 (25) relating to needed improvements at Hanauma Bay.

DEPARTMENT: Department of Parks and Recreation

May 5, 2025

Page 5 of 5

Councilmember Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$500,000	HN	Add funding for current expenses. Add proviso: "At least \$500,000 out of current expenses shall be appropriated for the assessment and scoping of faux rock for the exterior of buildings and walkway landscaped structures and conducting nonstructural repairs."

Department's Comments and Concerns:

DPR supports amendment as requested in Departmental Communication No. 308 (25) relating to needed improvements at Hanauma Bay.

GROUNDS MAINTENANCE

Councilmember Tyler Dos Santos Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$108,336	GN	Restore funding for salaries for OC1101 Regular Pay

Department's Comments and Concerns:

DPR supports the restoration of salaries for the SENIOR GROUNDS KEEPER for the swing shift supervisory position for Kapi'olani Park, beach side (park and Waikīkī) and TRACTOR MOWER OPERATOR, both are in external recruitment.

Councilmember Tyler Dos Santos Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$200,000	HN	Add funding for equipment. Add proviso: "At least \$200,000 out of current expenses shall be appropriated for OC4312 for three Replacement Utility Carts to maintain the upper and lower areas of Hanauma Bay."

Department's Comments and Concerns:

DPR supports amendment as requested in Departmental Communication No. 308 (25) relating to needed improvements at Hanauma Bay.

DEPARTMENT OF PLANNING AND PERMITTING
KA 'OIHANA HO'OLĀLĀ A ME NĀ PALAPALA 'AE
CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 7TH FLOOR • HONOLULU, HAWAII 96813
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*25MAY 7 AM 10:09 CIP & OPER

RICK BLANGIARDI
MAYOR
MEIA



DAWN TAKEUCHI APUNA
DIRECTOR
PO'O

BRYAN GALLAGHER, P.E.
DEPUTY DIRECTOR
HOPE PO'O

REGINA MALEPEAI
2ND DEPUTY DIRECTOR
HOPE PO'O KUALUA

May 5, 2025

MEMORANDUM

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

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

FROM: Dawn Takeuchi Apuna, Director
Department of Planning and Permitting

SUBJECT: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

DEPARTMENT: PLANNING AND PERMITTING

May 5, 2025

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ADMINISTRATION**Councilmember: Tyler Dos Santos-Tam**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(118,900)	GN	Reduce positions (1.00) and funding for salaries for OC 1101-Regular Pay

Department's Comments and Concerns:

The Department appreciates the restoration of the four (4) full-time equivalent (FTE) positions and salaries totaling \$235,728. However, we are requesting full restoration of the \$118,900 in GN funding for salaries and restoration of the 1.00 FTE position based on the posted CD1 reduction of (5.00) FTE and (\$354,628).

This position and salaries are critical to our Honolulu Land Information System (HoLIS) division, which is responsible for maintaining the geographic information system (GIS), permits and land records database for the entire City. LU170, GIS Administrator, EM07, is the Program Administrator for HoLIS that supervises and manages the operations of this division.

Currently, this position is filled with an employee who has been temporarily assigned (TA) to manage and supervise the HoLIS division (19 employees). This position was vacated on 6/1/22, approximately 2.5 years vacant. Should this position be reduced, the division will not be able to fund the temporary assignment and will not be able to recruit or fill the position, leaving this section without direct, day-to-day management.

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(107,000)	GN	Reduce funding for equipment for CO 4310-Passenger Vehicles

Department's Comments and Concerns:

The Department does not support this reduction based in the posted CD1. We respectfully request full restoration of \$107,000 in GN funding is requested to replace two (2) high-maintenance vehicles that were purchased in 2002 and 2003, and are older than some of our employees, with electric vehicle (EV) and/or hybrid vehicles for Administration to conduct site visits and other-related tasks.

DEPARTMENT: PLANNING AND PERMITTING

May 5, 2025

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SITE DEVELOPMENT**Councilmember: Tyler Dos Santos-Tam**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$258,048	GN	Restore funding for salaries and 3.00 FTE

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$413,760	HW	Restore funding for salaries and 6.00 FTE

Department's Comments and Concerns:

The Department appreciates the full restoration of \$671,808 in GN/HW funding for salaries and the 9.00 FTE positions.

LAND USE PERMITS**Councilmember: Tyler Dos Santos-Tam**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$59,508	GN	Restore funding for salaries for 010160: Secretary III, SR16

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$63,096	GN	Restore funding for salaries for 020608: Planner IV

Department's Comments and Concerns:

The Department appreciates the restoration of the two (2) full-time equivalent (FTE) positions and salaries totaling \$122,604. However, we request restoration of \$348,552 in GN funding for salary and 1.00 FTE position LU149 Planner VI based on the posted CD1 reduction of (3.00) FTE and (\$471,156).

The Planner VI (LU149) position that was eliminated in the CD 1, should be restored. This senior-level Planner VI position is critical to LUPD's Zoning Regulations and Permits Branch that is responsible for complex affordable housing projects, governor's proclamation projects, planned development housing projects, and major land use permits. This position currently funds the temporary assignment of the O'ahu Historic Preservation Commission (OHPC) Program Administrator, while DPP completes a reorganization to officially establish the OHPC branch within DPP.

DEPARTMENT: PLANNING AND PERMITTING

May 5, 2025

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PLANNING

Councilmember: Esther Kia'āina

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$109,200	GN	Add funding for salaries. Add proviso: "At least \$109,200 out of salaries shall be appropriated for a position dedicated to agricultural planning."

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$89,800	GN	Add position and funding for salaries. Add proviso: "At least 1.0 FTE and at least \$89,800 out of salaries shall be appropriated for a Planner IV position to assist the O'ahu Historic Preservation Commission."

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$89,800	GN	Add position and funding for salaries. Add proviso: "At least 1.0 FTE and at least \$59,500 out of salaries shall be appropriated for an Office assistant III position to support the O'ahu Historic Preservation Commission."

Department's Comments and Concerns:

The Department appreciates the additional funding for salaries and positions towards agricultural planning and the O'ahu Historic Preservation Commission (OHPC), however, we respectfully requests full restoration of the \$153,576 in GN funding for salaries based on the posted CD1 reduction of (\$153,576).

The restoration of funds will be used to support two (2) Planner VI positions critical to our Planning and Transit Oriented Development Activities:

1. LU639 (SR-26) Planner VI (Transit Oriented Development) A candidate has accepted the position and we are continuing with the hiring process.
2. LU640 (SR-26) Planner VI (Transit Oriented Development) This position was vacated on 10/23/2020, approximately four years and five months ago.

The Transit Oriented Division (TOD) Planner VI positions oversee highly complex projects in support of TOD policies and objectives as well as contract management of multi-million-dollar projects that support the development of much needed housing, improve public safety, wellbeing, and economic conditions.

DPP Planners recently received shortage pay in line with the State's planner shortage policy. DPP believes that the shortage pay will help to attract and retain these much-needed planner positions.

DEPARTMENT: PLANNING AND PERMITTING

May 5, 2025

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CUSTOMER SERVICE**Councilmember: Tyler Dos Santos-Tam**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$96,864	GN	Reduce funding for salaries.

Department's Comments and Concerns:

The Department appreciates the restoration of the two (2) full-time equivalent (FTE) positions and salaries totaling \$96,864. However, we request restoration of the \$86,376 in GN funding for salaries based on the posted reduction of CD1 reduction of (\$183,240).

The salaries reduction is for position LU179 and is critical to our Customer Services Activities. This Planner VII position was vacated on 06/01/2021, approximately three years ago. This position serves as the Chief of the Code Compliance Branch (CCB) that supervises and coordinates several concurrent planning projects such as administering the code enforcement civil fine program for the Building Code, Zoning Code, Shoreline Setback rules and grading regulations. DPP is in the final stages of internal recruitment for this position. Reduction will not allow us to fill this important position and will limit the branch's ability to provide timely issuance of fines, collections, and follow up with customers.

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(53,500)	GN	Reduce funding for equipment for OC 4310 – Passenger Vehicles

Department's Comments and Concerns:

The Department does not support this reduction based in the posted CD1. We respectfully request full restoration of \$53,500 in GN funding to support funding to replace one (1) aging vehicle with an electrical vehicle (EV) and/or hybrid for Customer Service staff to conduct site visits and other-related tasks.

DEPARTMENT: PLANNING AND PERMITTING

May 5, 2025

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BUILDING

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$161,640	GN	Restore funding for salaries

Department's Comments and Concerns:

The Department appreciates the full restoration of \$161,640 in GN funding for salaries and the 3.00 FTE positions.

HONOLULU POLICE DEPARTMENT
KA 'OIHANA MĀKA'I O HONOLULU
CITY AND COUNTY OF HONOLULU
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25 MAY -6 P1:07
DIRECTOR OF BUDGET
& FISCAL SERVICES
C&C OF HONOLULU

RICK BLANGIARDI
MAYOR
MEIA



ARTHUR J. LOGAN
CHIEF
KAHU MĀKA'I

KEITH K. HORIKAWA
RADE K. VANIC
DEPUTY CHIEFS
HOPE LUNA NUI MĀKA'I

OUR REFERENCE RH-PH

May 5, 2025

MEMORANDUM

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

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

FROM: Arthur J. Logan, Chief of Police

SUBJECT: Fiscal Year (FY) 2026 Operating Budget CD2 Response

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.


Arthur J. Logan
Chief of Police

Attachment

Honolulu Police Department

May 5, 2025

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HONOLULU POLICE COMMISSION

Councilmember: Tyler Dos Santos-Tam (Budget Committee Chair)

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$71,016) S	GN	Reduce funding for salaries

Department's Comments and Concerns:

Honolulu Police Department Funding Restoration Request for the Honolulu Police Commission

The Honolulu Police Department (HPD) respectfully requests the restoration of funding for the Honolulu Police Commission (HPC) investigator position. HPC investigators are responsible for conducting investigations into alleged misconduct by HPD personnel that occurred during the performance of their official duties. These positions are essential to maintaining transparency and accountability within the department.

HPC Investigator Positions

Currently, the HPC is authorized and funded for three police commission investigator positions. However, these positions are often difficult to fill due to the specialized investigative qualifications and experience required. Given the critical nature of these roles, the HPC is exploring the use of 89-day contract hires to ensure that investigative duties continue to be performed without interruption. These contract positions are funded by using salary funds from vacant HPC positions.

Impact of Funding Reductions

A reduction in the funding for salaries would severely hinder the HPC's ability to hire the necessary contract and/or permanent investigators to fulfill its essential duties. Without the ability to hire these positions, the HPC would face significant challenges in maintaining its capacity to conduct thorough and timely investigations into potential misconduct. This could negatively impact the integrity of the department's oversight and accountability processes.

Referral Bonus for Recruitment

The HPD is considering a referral bonus for current department employees who successfully refer applicants for metropolitan police recruit and police communications officer positions. The goal is to encourage current employees to help fill vacancies by tapping into their networks or offering an incentive to promote these job openings. The bonuses would be funded from cost savings created by vacant positions, meaning that the savings from unfilled positions would be redirected toward these referral bonuses.

Honolulu Police Department

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Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

Conclusion

The ability of the HPC to effectively carry out its investigative responsibilities relies on maintaining adequate funding for both permanent and contract investigator positions. We respectfully request the restoration of this critical funding to ensure the HPC's continued effectiveness in safeguarding public trust and ensuring the highest standards of conduct within the HPD.

The department intends to use vacant position savings to fund both the recruitment bonuses and retention incentives. Since these initiatives (bonuses and incentives) were not included in the original budget, the HPD is requesting the restoration of funding to ensure that these efforts can be successfully implemented without negatively impacting the department's financial standing.

OFFICE OF THE CHIEF OF POLICE

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$1,000,000) CE	GN	Reduce funding for salaries

Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

Expansion of Communications to the Public

The Chief's Office is in the process of adding two additional public information officers (PIOs) and a Communication Director to expand its media and social media presence and increase the flow of information to the public. These positions are being funded by salary savings. Without these funds, the department may not be able to continue these positions.

Honolulu Police Department

May 5, 2025

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Civilian Positions

Civilian positions within the HPD are integral to the department's day-to-day operations. These roles require specialized knowledge, education, and experience to perform technical, analytical, and supervisory duties. Even when these positions remain vacant, the essential functions they support must continue. In such cases, when duties are reassigned to other civilian personnel, concerns related to collective bargaining agreements (CBA) may arise, further complicating operations. To ensure seamless functionality, it is imperative that all civilian positions are fully funded, allowing for active recruitment and hiring to fill these vital roles.

Metropolitan Police Officer Positions

The metropolitan police officer position plays a critical role in the HPD's recruitment strategy, particularly as new recruits enter the training pool. Officers placed in this position serve their initial assignments until they are eligible for promotion or transfer to new assignments. Maintaining full funding for these positions is crucial as the department continues its aggressive recruitment efforts and strives to expand the number of recruits and officers within the training pool.

Higher-Ranked Position Vacancies

Vacancies in higher-ranked positions, such as corporals and above, are often temporarily filled by sworn personnel from within the department to ensure that the responsibilities of these roles are met. While necessary, these temporary assignments do not eliminate the need for permanent funding for these positions. To maintain operational efficiency, it is important to ensure that funding for higher-ranked positions remains intact.

Impact of Salary Reductions

Currently, salaries for police recruits are unfunded, requiring the HPD to reallocate funds from various activities to cover recruit salaries. Additionally, vacant position funds are used to pay for overtime due to staffing shortages or unexpected events. A reduction in salary funding would hinder the department's ability to fill vacant positions, to temporarily assign personnel to higher level positions, and to effectively plan and conduct operations that require overtime staffing.

Professional Advancement and Retention

Reducing funding for salaries would negatively impact professional growth within the department. Lack of funding may lead to a stagnation of career advancement opportunities and could discourage promotions, potentially causing officers and civilian personnel to seek employment elsewhere for better career prospects or compensation.

Honolulu Police Department

May 5, 2025

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Referral Bonus for Recruitment

The HPD is considering a referral bonus for current department employees who successfully refer applicants for metropolitan police recruit and police communications officer positions. The goal is to encourage current employees to help fill vacancies by tapping into their networks or offering an incentive to promote these job openings. The bonuses would be funded from cost savings created by vacant positions, meaning that the savings from unfilled positions would be redirected toward these referral bonuses.

Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

Potential Collective Bargaining Agreement Impact (FY2026)

The HPD anticipates that a new collective bargaining agreement (CBA) with the police union will take effect during FY2026. This agreement may include pay increases, lump-sum payments, and increased allowances. These potential changes were not factored into HPD's proposed budget for FY2026, so additional funds may be required to cover these costs. Similarly, potential salary adjustments, lump sums, and allowances may be funded through cost savings from vacant positions. The City Council will need to restore funding to ensure the department can meet the increased costs from the new CBA.

Potential COVID-19 Hazard Pay Settlement Impact

During FY2025, the City finalized a COVID-19 hazard pay settlement with the HPD's police union, the State of Hawaii Organization of Police Officers (SHOPO). This settlement provides hazard duty compensation to current and retired police officers who were employed between March 5, 2020, and March 5, 2022.

Under the terms of the agreement, 80 percent of the hazard pay will be issued in cash, and the remaining 20 percent will be awarded as vacation hours. All payments were initially scheduled to be disbursed by June 30, 2025.

The Managing Director has advised the HPD to ensure adequate salary savings, in order to meet future cash-out obligations. Specifically, the settlement allows officers to cash out 50 percent of their awarded vacation credits during FY2026, with the remaining 50 percent eligible for cash-out during FY2027. Additionally, officers who retire or resign will have their full balance of vacation credits cashed at the time of separation. The cost savings to pay these vacation credits would need to come from vacant position salaries.

Honolulu Police Department

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Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. Furthermore, the Chief's Office's plan to expand the amount personnel tasked with the department's communication to the public may have to be delayed. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

The department intends to use vacant position savings to fund both the recruitment bonuses and retention incentives, as well as to cover potential cost increases from the CBA, and vacation credit cash-outs awarded by the City's COVID-19 hazard pay settlement with the police union. Since these initiatives (bonuses, incentives, potential pay increases, and COVID-19 hazard pay settlement) were not included in the original budget, the HPD is requesting the restoration of funding to ensure that these efforts can be successfully implemented without negatively impacting the department's financial standing.

Councilmember: Tyler Dos Santos-Tam (Budget Committee Chair)

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$460,560) S	GN	Reduce funding for salaries

Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

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Honolulu Police Department

May 5, 2025

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Civilian Positions

Civilian positions within the HPD are integral to the department's day-to-day operations. These roles require specialized knowledge, education, and experience to perform technical, analytical, and supervisory duties. Even when these positions remain vacant, the essential functions they support must continue. In such cases, when duties are reassigned to other civilian personnel, concerns related to collective bargaining agreements (CBA) may arise, further complicating operations. To ensure seamless functionality, it is imperative that all civilian positions are fully funded, allowing for active recruitment and hiring to fill these vital roles.

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Impact of Salary Reductions

Currently, salaries for police recruits are unfunded, requiring the HPD to reallocate funds from various activities to cover recruit salaries. Additionally, vacant position funds are used to pay for overtime due to staffing shortages or unexpected events. A reduction in salary funding would hinder the department's ability to fill vacant positions, to temporarily assign personnel to higher level positions, and to effectively plan and conduct operations that require overtime staffing.

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Honolulu Police Department

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Referral Bonus for Recruitment

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Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

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The HPD anticipates that a new collective bargaining agreement (CBA) with the police union will take effect during FY2026. This agreement may include pay increases, lump-sum payments, and increased allowances. These potential changes were not factored into the HPD's proposed budget for FY2026, so additional funds may be required to cover these costs. Similarly, potential salary adjustments, lump sums, and allowances may be funded through cost savings from vacant positions. The City Council will need to restore funding to ensure the department can meet the increased costs from the new CBA.

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Honolulu Police Department

May 5, 2025

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Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. Furthermore, the Chief's Office's plan to expand the amount personnel tasked with the department's communication to the public may have to be delayed. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

The department intends to use vacant position savings to fund both the recruitment bonuses and retention incentives, as well as to cover potential cost increases from the CBA, and vacation credit cash-outs awarded by the City's COVID-19 hazard pay settlement with the police union. Since these initiatives (bonuses, incentives, potential pay increases, and COVID-19 hazard pay settlement) were not included in the original budget, the HPD is requesting the restoration of funding to ensure that these efforts can be successfully implemented without negatively impacting the department's financial standing.

Councilmember: Tyler Dos Santos-Tam (Budget Committee Chair)

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$40,550 CE	GN	Restore funding for current expenses for OC3212 Out of State Travel

Department's Comments and Concerns

The Honolulu Police Department (HPD) respectfully requests the full restoration of funding to the original amount of \$89,700. This funding supports the Office of the Chief, which includes the Chief's Office, Criminal Intelligence Unit, and Professional Standards Office. The requested funds are designated for six out-of-state trips. Without adequate funding, the department risks missing valuable opportunities to collaborate with other law enforcement agencies and stay informed on the latest developments and best practices. The six trips potentially affected are:

Honolulu Police Department

May 5, 2025

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Major Cities Chiefs Association (MCCA) Fall Meeting and International Association of Chief of Police (IACP) Annual Conference		
Chief's Office	4 Travelers	\$21,500
During the fall of each year, the MCCA and the IACP hold joint annual conferences. Both of these organizations are recognized globally among government leaders and law enforcement agencies. They provide law enforcement expertise, training, and education. Chiefs of Police attend these conferences to remain current on matters relating to their profession and to reinforce relationships and cooperation within policing. The meeting provides a unique forum for urban police, sheriffs, and other law enforcement chief executives to discuss common problems and to share information and problem-solving strategies. The MCCA meeting also consists of breakout sessions for the Deputy Chiefs and Senior Police Legal Advisor. The HPD's Senior Police Legal Advisor is the Chair of the MCCA Legal Division.		

MCCA Summer Meeting		
Chief's Office	3 Travelers	\$12,000
During the summer of each year, the MCCA holds its annual Summer Meeting. Chiefs of Police attend this conference to remain current on matters relating to their profession and to reinforce relationships and cooperation within policing. The meeting provides a unique forum for urban police, sheriffs, and other law enforcement chief executives to discuss common problems and to share information and problem-solving strategies.		

MCCA Winter Meeting		
Chief's Office	3 Travelers	\$12,000
During the winter of each year, the MCCA holds its annual Winter Meeting. Chiefs of Police attend this conference to remain current on matters relating to their profession and to reinforce relationships and cooperation within policing. The meeting provides a unique forum for urban police, sheriffs, and other law enforcement chief executives to discuss common problems and to share information and problem-solving strategies.		

Honolulu Police Department Funding Request for Travel to Attend Policing Conferences

The Honolulu Police Department (HPD) respectfully requests that funding for travel be maintained as it is essential for the Chief of Police to stay proactive in learning about emerging nationwide policing trends and strategies.

Importance of Travel for Professional Development

Travel to national policing conferences, forums, and other professional development events is critical for the Chief of Police to gain valuable insights into evolving trends, best practices, and strategies used by law enforcement agencies across the country. By attending these events, the Chief is able to identify innovative solutions to challenges

Honolulu Police Department

May 5, 2025

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faced by the HPD, stay updated on policies that could impact the department, and foster collaboration with other law enforcement leaders.

Impact of Deferring Travel Funding

Deferring funding for this travel would impede the Chief's ability to stay informed about these nationwide trends and strategies, potentially leaving the HPD at a disadvantage in terms of adopting effective approaches to law enforcement. It may also delay the implementation of new strategies that could improve operations and enhance community relations. Being informed on national developments allows the Chief of Police to make more informed decisions and maintain a forward-thinking approach to policing.

Conclusion

Maintaining funding for travel to key professional development opportunities is vital for ensuring the Chief of Police remains proactive and well-informed about emerging trends and strategies in law enforcement. We respectfully request the restoration of this funding to support the department's ongoing commitment to adopting best practices and maintaining a high standard of policing.

Law Enforcement Intelligence Unit/International Association of Law Enforcement Intelligence Analysts (LEIU/IALEIA) Training Seminar		
CIU	2 Travelers	\$9,000
The HPD's CIU is an active member of the LEIU organization. The LEIU is comprised of law enforcement intelligence units and analysts from police departments across of the country. The annual trainings provide a venue for experts and police departments to share up to date techniques and case studies from across the country that have an impact on the law enforcement intelligence community.		

MCCA/IACP Conference (Intelligence Committee)		
CIU	1 Traveler	\$4,000
The MCCA is comprised of the nation's largest police and sheriff departments. The Chief of Police is an active member of this organization, and the CIU is a contributing member as well. The MCCA also is broken down into committees, such as the Intelligence Commanders, Legal Advisors, Financial Managers, etc.		
This committee conference is vital for the HPD's CIU to stay abreast of current intelligence threats and trends as well as continuing to foster positive relationships with the nation's intelligence commanders and police chiefs. During these meetings attendees present pertinent/relevant information that corresponds to their areas of responsibility.		

Honolulu Police Department

May 5, 2025

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Honolulu Police Department Funding Request for CIU Conferences and Training

The Honolulu Police Department (HPD) respectfully requests that funding for the two critical Criminal Intelligence Unit (CIU) conferences and trainings be maintained. These events are vital for the HPD's ongoing ability to stay connected with the nation's leading intelligence commanders and units, which is essential for effective intelligence sharing and law enforcement collaboration.

Importance of Networking and Intelligence Sharing

Attending these conferences provides the HPD's intelligence commander with the invaluable opportunity to network face-to-face with influential intelligence unit commanders and police chiefs from major cities across the nation. These personal connections are crucial for maintaining an open and continuous exchange of intelligence and sensitive information between the HPD and other police departments. Without attending these conferences, the HPD risks losing its direct access to key players in the national intelligence community, which may limit future intelligence-sharing opportunities. This could impact the department's ability to stay ahead of emerging threats, crime trends, and effective law enforcement strategies.

Impact of Deferring Funding

Deferring funding for these conferences would prevent the HPD's intelligence commander from building and maintaining essential relationships with new and existing intelligence commanders. Establishing these trusting relationships is crucial for ensuring a steady flow of actionable intelligence, particularly when dealing with emerging crime trends or threats.

Moreover, attending these trainings and networking events allows the HPD's intelligence unit to stay updated on the latest crime trends, law enforcement strategies, and best practices. This is vital for maintaining the department's effectiveness in addressing crime, protecting the community, and staying ahead of evolving criminal activity.

Conclusion

The HPD respectfully requests the restoration of funding for these CIU conferences and trainings. Maintaining this funding is crucial for ensuring the department continues to build essential relationships, exchange critical intelligence, and stay current with national law enforcement strategies. These connections and resources are vital for keeping the HPD at the forefront of effective policing and intelligence gathering.

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Annual Commission on Accreditation for Law Enforcement Agencies, Inc., (CALEA) Conference		
PSO	3 Travelers	\$13,800
The Annual CALEA Conference is an important conference that provides essential training and program updates to the evolving CALEA standards and requirements. It serves as a platform to provide new and updated training, which is required for participating agencies to retain/obtain their accreditation. Such training includes using and managing Power DMS (CALEA computer application program), compliance with standards updates or procedures, and networking with other members of accredited agencies.		

Honolulu Police Department Funding Request for CALEA Accreditation Conference

The Honolulu Police Department (HPD) respectfully requests the restoration of funding to attend the CALEA (Commission on Accreditation for Law Enforcement Agencies) conference. Attending this conference is crucial for the Accreditation Section to stay current on evolving accreditation standards and processes, ensuring the HPD remains optimally prepared for reaccreditation.

Importance of the CALEA Conference

The CALEA conference provides the Accreditation Section with a unique opportunity to engage in face-to-face dialogue with CALEA staff, assessment teams, and other accreditation contacts from partner agencies. These direct interactions are essential for gaining insight into best practices, addressing challenges, and understanding the latest updates to accreditation standards.

Impact of Not Attending

Not attending this vital conference would significantly hamper the HPD Accreditation Section's ability to fully understand and apply the evolving standards and processes required for maintaining CALEA accreditation. Re-accreditation is a rigorous and ongoing process, and the knowledge gained from this conference is vital for ensuring the department is well-prepared to meet the standards for the next accreditation cycle. Without the opportunity for face-to-face discussions, the HPD would also miss out on networking with peers from other agencies, which can provide valuable perspectives and guidance on navigating the accreditation process.

Conclusion

The HPD respectfully requests the restoration of funding to attend the CALEA conference. Attending this event is essential for staying current on accreditation standards, engaging in critical networking, and ensuring the department is fully prepared for re-accreditation. This investment in the HPD's accreditation efforts is

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fundamental to maintaining high standards of law enforcement excellence and accountability.

National Internal Affairs Investigators Association (NIAIA) Conference		
PSO	4 Travelers	\$17,400
The NIAIA is an annual, nationwide conference that provides pertinent and essential training and updates for internal affairs personnel. Topics include internal administrative and criminal investigations, employee-involved domestic violence issues, labor and legal issues, in-custody death and critical incidents, arbitration trends, and officer-involved shooting reviews.		

Honolulu Police Department Funding Request for Law Enforcement Training

The Honolulu Police Department (HPD) respectfully requests the restoration of funding to attend critical law enforcement training. This training is essential for ensuring the department stays current on pertinent internal investigations, emerging trends, key issues, and advancements in law enforcement technology.

Importance of Attending the Training

This training provides the HPD with the opportunity to stay informed about the latest developments in law enforcement investigations, current trends, and technological innovations that impact policing. The knowledge gained from this training helps the department address evolving challenges in criminal investigations and enhances its ability to use cutting-edge tools and techniques to improve overall law enforcement effectiveness.

Impact of Not Attending

Failure to attend this training would significantly limit the department's ability to remain up-to-date on critical issues affecting internal investigations and law enforcement practices. The HPD could fall behind in adapting to new technologies, investigation methodologies, and legal frameworks, which could hinder the department's overall effectiveness and efficiency in serving the community.

Conclusion

The HPD respectfully requests the restoration of funding to attend this essential training. Attending this training is vital for ensuring the department remains knowledgeable, adaptable, and capable of responding to the evolving demands of law enforcement. This investment in professional development directly contributes to enhancing the HPD's ability to serve and protect the public effectively.

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PATROL

Councilmember: Tyler Dos Santos-Tam (Budget Committee Chair)

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$5,416,817) S	GN	Reduce funding for salaries

Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

Civilian Positions

Civilian positions within the HPD are integral to the department's day-to-day operations. These roles require specialized knowledge, education, and experience to perform technical, analytical, and supervisory duties. Even when these positions remain vacant, the essential functions they support must continue. In such cases, when duties are reassigned to other civilian personnel, concerns related to collective bargaining agreements (CBA) may arise, further complicating operations. To ensure seamless functionality, it is imperative that all civilian positions are fully funded, allowing for active recruitment and hiring to fill these vital roles.

Metropolitan Police Officer Positions

The metropolitan police officer position plays a critical role in the HPD's recruitment strategy, particularly as new recruits enter the training pool. Officers placed in this position serve their initial assignments until they are eligible for promotion or transfer to a new assignments. Maintaining full funding for these positions is crucial as the department continues its aggressive recruitment efforts and strives to expand the number of recruits and officers within the training pool.

Higher-Ranked Position Vacancies

Vacancies in higher-ranked positions, such as corporals and above, are often temporarily filled by sworn personnel from within the department to ensure that the responsibilities of these roles are met. While necessary, these temporary assignments do not eliminate the need for permanent funding for these positions. To maintain operational efficiency, it is important to ensure that funding for higher-ranked positions remains intact.

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Impact of Salary Reductions

Currently, salaries for police recruits are unfunded, requiring the HPD to reallocate funds from various activities to cover recruit salaries. Additionally, vacant position funds are used to pay for overtime due to staffing shortages or unexpected events. A reduction in salary funding would hinder the department's ability to fill vacant positions, to temporarily assign personnel to higher level positions, and to effectively plan and conduct operations that require overtime staffing.

Professional Advancement and Retention

Reducing funding for salaries would negatively impact professional growth within the department. Lack of funding may lead to a stagnation of career advancement opportunities and could discourage promotions, potentially causing officers and civilian personnel to seek employment elsewhere for better career prospects or compensation.

Referral Bonus for Recruitment

The HPD is considering a referral bonus for current department employees who successfully refer applicants for metropolitan police recruit and police communications officer positions. The goal is to encourage current employees to help fill vacancies by tapping into their networks or offering an incentive to promote these job openings. The bonuses would be funded from cost savings created by vacant positions, meaning that the savings from unfilled positions would be redirected toward these referral bonuses.

Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

Potential Collective Bargaining Agreement Impact (FY2026)

The HPD anticipates that a new collective bargaining agreement (CBA) with the police union will take effect during FY2026. This agreement may include pay increases, lump-sum payments, and increased allowances. These potential changes were not factored into the HPD's proposed budget for FY2026, so additional funds may be required to cover these costs. Similarly, potential salary adjustments, lump sums, and allowances may be funded through cost savings from vacant positions. The City Council will need to restore funding to ensure the department can meet the increased costs from the new CBA.

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Potential COVID-19 Hazard Pay Settlement Impact

During FY2025, the City finalized a COVID-19 hazard pay settlement with the HPD's police union, the State of Hawaii Organization of Police Officers (SHOPO). This settlement provides hazard duty compensation to current and retired police officers who were employed between March 5, 2020, and March 5, 2022.

Under the terms of the agreement, 80 percent of the hazard pay will be issued in cash, and the remaining 20 percent will be awarded as vacation hours. All payments were initially scheduled to be disbursed by June 30, 2025.

The Managing Director has advised the HPD to ensure adequate salary savings, in order to meet future cash-out obligations. Specifically, the settlement allows officers to cash out 50 percent of their awarded vacation credits during FY2026, with the remaining 50 percent eligible for cash-out during FY2027. Additionally, officers who retire or resign will have their full balance of vacation credits cashed at the time of separation. The cost savings to pay these vacation credits would need to come from vacant position salaries.

Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

The department intends to use vacant position savings to fund both the recruitment bonuses and retention incentives, as well as to cover potential cost increases from the CBA, and vacation credit cash-outs awarded by the City's COVID-19 hazard pay settlement with the police union. Since these initiatives (bonuses, incentives, potential pay increases, and COVID-19 hazard pay settlement) were not included in the original budget, the HPD is requesting the restoration of funding to ensure that these efforts can be successfully implemented without negatively impacting the department's financial standing.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$100,900) CE	GN	Reduce funding for current expenses for Object Code 2401 Educational, Recreational & Scientific Supplies

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Department's Comments and Concerns

Honolulu Police Department Funding Restoration Request for Object Code 2401

The Honolulu Police Department (HPD) respectfully requests the restoration of funding to enhance officer safety and operational effectiveness. Specifically, the HPD is requesting \$85,000 to refresh ballistic helmets for all patrol districts and the Central Receiving Division. These helmets are crucial for protecting officers during high-risk incidents where head and face protection is essential, such as active shooter situations. This funding request was inadvertently designated as ATV Equipment.

Ballistic Helmet Refresh

The current inventory of ballistic helmets has reached its expiration date. Ballistic helmets are designed to provide vital protection, and they typically last around five years before requiring replacement. To ensure that officers are adequately protected during critical operations, it is necessary to refresh the inventory of helmets across all patrol districts and the Central Receiving Division.

The requested funding of \$85,000 will cover the cost of replacing expired helmets and ensuring that all officers are equipped with up-to-date protective gear for response to incidents where their safety is at the highest risk.

Routine Supplies for Patrol Elements

In addition to the ballistic helmet refresh, the remaining \$15,900 will be allocated across the eight patrol elements to purchase routine supplies throughout the fiscal year. These supplies are necessary for maintaining the department's day-to-day operations and ensuring that officers have the tools required to perform their duties effectively and safely.

Conclusion

The HPD's ability to respond effectively to high-risk incidents depends on ensuring that officers are equipped with the appropriate protective gear. The requested funding will directly contribute to enhancing officer safety and maintaining operational readiness. We respectfully request the restoration of these funds to support the continued safety of HPD personnel and to ensure the department can carry out its mission effectively.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$43,200 CE	GN	Restore funding for current expenses for OC3049 Other Services – Not Classified. Add proviso: "At least \$43,200 shall be used for lease of office space for D6 and D7 patrol officers."

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Department's Comments and Concerns

Honolulu Police Department Funding Restoration Request for Object Code 3049

The Honolulu Police Department (HPD) respectfully requests the restoration of funding for Patrol Object Code 3049, which supports assorted services utilized by the eight patrol districts and the Central Receiving Division, to the full original amount of \$136,875. For Fiscal Year 2026 (FY2026), the HPD is requesting funding to cover lease fees for its office space located on 22nd Avenue, which is used by Districts 6 and 7 personnel.

Lease Space for Districts 6 and 7

In the past, the HPD did not incur lease fees for office space at this location. However, under the terms of a Memorandum of Agreement (MOA), the HPD agreed to pay \$43,200 annually for the lease of this office space. The lease became effective 18 months before the start of FY2026; and while the lease fees for the months prior to FY2026 were covered using asset forfeiture funds, the department requires a budget allocation to meet the annual lease costs moving forward.

Removal of Proviso to Lease Fee Funds

The HPD also requests the omission of the proviso attached to the \$43,200 in lease fee funding. The proviso introduces unnecessary administrative burdens. Because proviso funds are initially unallotted, the HPD must complete several time-consuming steps before the funds can be allotted. These added processes delay the availability of funds, which delays the procurement process during the beginning of the fiscal year.

Additional Expenses

In addition to the lease fees, Object Code 3049 also covers various services essential to the operations of the patrol districts' administration, Crime Reduction Units, and Burglary/Theft Details. The remaining amount of \$93,675 is distributed among the eight patrol districts and the Central Receiving Division for expenses such as cable bills, special evidence funds, and fees charged from subpoena requests.

Conclusion

We respectfully request the restoration of funding to cover the annual lease fees for the 22nd Avenue office without the proviso, as well as associated expenses for administrative services and special evidence funds. This funding is essential to ensure continued support for the department's critical operations.

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<u>Amount</u>	<u>Fund</u>	<u>Description</u>
Not Stated	GN	Add proviso: "At least \$400,000 out of current expenses shall be appropriated to expand and train Community Policing Teams in all eight patrol districts, including funding for promotional materials for neighborhoods, security watches, and citizen patrol groups."

Department's Comments and Concerns:

Honolulu Police Department Community Policing Teams (CPT) Funding Request for Fiscal Year 2026

The Honolulu Police Department (HPD) respectfully requests omission of the \$400,000 unfunded proviso added to the HPD's Patrol Activity for FY2026. This request stems from the fiscal constraints that would arise from taking the additional funding from the current Patrol operating budget, which could result in the deferral of critical budget items and services.

Impact of Current Funding Structure

In Fiscal Year 2024, the City Council allocated \$900,000 to the HPD's Patrol Activity to support the HPD Community Policing Teams (CPT). These funds were distributed across the eight patrol districts and enabled the CPTs to procure necessary equipment, support community-based policing initiatives, and provide training in areas such as Crime Prevention Through Environmental Design (CPTED). The additional funding in Fiscal Year 2025 further supported these efforts, helping to sustain and expand the HPD's community policing philosophy.

However, the FY2026 \$400,000 proviso for the CPT is unfunded, meaning the amount would need to be taken from the Patrol Activity's existing operating budget. This could create significant challenges for the department, particularly in maintaining the services and equipment needed to effectively respond to calls for service and protect officer safety.

Fiscal Concerns and Potential Impact on Patrol Operations

The current Patrol budget is largely consumed by collective bargaining agreement (CBA) required services, such as automobile, weapon, and uniform allowances as well as fuel. These essential expenses account for about 84 percent of the total current expense funds. The remaining 16 percent of the Patrol budget, which is just under \$2 million, is allocated for other critical items and services needed to maintain day-to-day operations.

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If the \$400,000 earmarked for the CPTs is deducted from this already limited 16 percent, it will likely force the HPD to defer key items and services, including necessary equipment upgrades that directly impact officer safety. The ability to maintain and enhance essential equipment, particularly for patrol officers who respond to high-risk calls for service, could be compromised. Items purchased with CPT proviso funds are constrained for use by the CPTs and not the entire patrol district.

Unnecessary Additional Processing

Additionally, the proviso introduces unnecessary administrative burdens. Because proviso funds are initially unallotted, the HPD must complete several time-consuming steps before the funds can be allotted. These added processes delay the availability of funds, which delays the procurement process during the beginning of the fiscal year.

Conclusion

While the HPD values and supports the community policing philosophy and the positive impact of the CPTs, the department must balance this with the operational needs of the Patrol Activity. The allocation of \$400,000 for CPT-related expenses, if unfunded, would detract from the funds available to meet essential patrol operations, potentially putting officer safety and service delivery at risk. Additionally, proviso attached to funds delays the availability of funds and the procurement process due the additional processes it creates to allot the funds.

Therefore, the HPD respectfully requests that the \$400,000 unfunded proviso for CPT funding be omitted from the FY2026 budget to ensure that patrol operations can continue to function effectively without compromising officer safety or essential services.

SPECIAL FIELD OPERATIONS

Councilmember: Tyler Dos Santos-Tam (Budget Committee Chair)

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$1,599,216) S	GN	Reduce funding for salaries

Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

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Civilian Positions

Civilian positions within the HPD are integral to the department's day-to-day operations. These roles require specialized knowledge, education, and experience to perform technical, analytical, and supervisory duties. Even when these positions remain vacant, the essential functions they support must continue. In such cases, when duties are reassigned to other civilian personnel, concerns related to collective bargaining agreements (CBA) may arise, further complicating operations. To ensure seamless functionality, it is imperative that all civilian positions are fully funded, allowing for active recruitment and hiring to fill these vital roles.

Metropolitan Police Officer Positions

The Metropolitan Police Officer position plays a critical role in the HPD's recruitment strategy, particularly as new recruits enter the training pool. Officers placed in this position serve their initial assignments until they are eligible for promotion or transfer to new assignments. Maintaining full funding for these positions is crucial as the department continues its aggressive recruitment efforts and strives to expand the number of recruits and officers within the training pool.

Higher-Ranked Vacancies

Vacancies in higher-ranked positions, such as Corporals and above, are often temporarily filled by sworn personnel from within the department to ensure that the responsibilities of these roles are met. While necessary, these temporary assignments do not eliminate the need for permanent funding for these positions. To maintain operational efficiency, it is important to ensure that funding for higher-ranked positions remains intact.

Impact of Salary Reductions

Currently, salaries for police recruits are unfunded, requiring the HPD to reallocate funds from various activities to cover recruit salaries. Additionally, vacant position funds are used to pay for overtime due to staffing shortages or unexpected events. A reduction in salary funding would hinder the department's ability to fill vacant positions, to temporarily assign personnel to higher level positions, and to effectively plan and conduct operations that require overtime staffing.

Professional Advancement and Retention

Reducing funding for salaries would negatively impact professional growth within the department. Lack of funding may lead to a stagnation of career advancement opportunities and could discourage promotions, potentially causing officers and civilian personnel to seek employment elsewhere for better career prospects or compensation.

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Referral Bonus for Recruitment

The HPD is considering a referral bonus for current department employees who successfully refer applicants for metropolitan police recruit and police communications officer positions. The goal is to encourage current employees to help fill vacancies by tapping into their networks or offering an incentive to promote these job openings. The bonuses would be funded from cost savings created by vacant positions, meaning that the savings from unfilled positions would be redirected toward these referral bonuses.

Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

Potential Collective Bargaining Agreement Impact (FY2026)

The HPD anticipates that a new collective bargaining agreement (CBA) with the police union will take effect during FY2026. This agreement may include pay increases, lump-sum payments, and increased allowances. These potential changes were not factored into the HPD's proposed budget for FY2026, so additional funds may be required to cover these costs. Similarly, potential salary adjustments, lump sums, and allowances may be funded through cost savings from vacant positions. The City Council will need to restore funding to ensure the department can meet the increased costs from the new CBA.

Potential COVID-19 Hazard Pay Settlement Impact

During FY2025, the City finalized a COVID-19 hazard pay settlement with the HPD's police union, the State of Hawaii Organization of Police Officers (SHOPO). This settlement provides hazard duty compensation to current and retired police officers who were employed between March 5, 2020, and March 5, 2022.

Under the terms of the agreement, 80 percent of the hazard pay will be issued in cash, and the remaining 20 percent will be awarded as vacation hours. All payments were initially scheduled to be disbursed by June 30, 2025.

The Managing Director has advised the HPD to ensure adequate salary savings, in order to meet future cash-out obligations. Specifically, the settlement allows officers to cash out 50 percent of their awarded vacation credits during FY2026, with the remaining 50 percent eligible for cash-out during FY2027. Additionally, officers who retire or resign will have their full balance of vacation credits cashed at the time of separation. The cost savings to pay these vacation credits would need to come from vacant position salaries.

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Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

The department intends to use vacant position savings to fund both the recruitment bonuses and retention incentives, as well as to cover potential cost increases from the CBA, and vacation credit cash-outs awarded by the City's COVID-19 hazard pay settlement with the police union. Since these initiatives (bonuses, incentives, potential pay increases, and COVID-19 hazard pay settlement) were not included in the original budget, the HPD is requesting the restoration of funding to ensure that these efforts can be successfully implemented without negatively impacting the department's financial standing.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$29,040) CE	GN	Reduce funding for current expenses for Object Code 3049 Other Services - Not Classified

Department's Comments and Concerns

Honolulu Police Department Funding Restoration Request for Object Code 3049

The Honolulu Police Department (HPD) respectfully requests the restoration of funding in Object Code 3049. This funding is primarily used to rent venues for important recognition and promotion ceremonies as well as for the annual Police Week memorial service.

Need for Venue Rentals

The HPD currently lacks facilities large enough to accommodate the attendance and scale required for these significant events. As such, rental venues are essential for hosting ceremonies that honor the achievements of promotees and awardees as well as to pay tribute to fallen officers during the Police Week memorial service.

These events are vital for recognizing the dedication and hard work of HPD personnel and acknowledging the sacrifices made by officers in the line of duty. They provide an

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opportunity for the department to publicly celebrate its members' accomplishments and to reflect on the sacrifices made by those who have given their lives in service to the community.

Conclusion

Recognizing the contributions of HPD personnel and honoring fallen officers are the cornerstones of building morale and fostering a sense of community within the department. The restoration of funding for venue rentals ensures that these important ceremonies and memorials can continue to be held in a meaningful and dignified manner. We respectfully request the restoration of funding to support these essential events.

INVESTIGATIONS

Councilmember: Tyler Dos Santos-Tam (Budget Committee Chair)

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$2,188,500) S	GN	Reduce funding for salaries

Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

Civilian Positions

Civilian positions within the HPD are integral to the department's day-to-day operations. These roles require specialized knowledge, education, and experience to perform technical, analytical, and supervisory duties. Even when these positions remain vacant, the essential functions they support must continue. In such cases, when duties are reassigned to other civilian personnel, concerns related to collective bargaining agreements (CBA) may arise, further complicating operations. To ensure seamless functionality, it is imperative that all civilian positions are fully funded, allowing for active recruitment and hiring to fill these vital roles.

Metropolitan Police Officer Positions

The metropolitan police officer position plays a critical role in the HPD's recruitment strategy, particularly as new recruits enter the training pool. Officers placed in this position serve their initial assignments until they are eligible for promotion or transfer to

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new assignments. Maintaining full funding for these positions is crucial as the department continues its aggressive recruitment efforts and strives to expand the number of recruits and officers within the training pool.

Higher-Ranked Position Vacancies

Vacancies in higher-ranked positions, such as corporals and above, are often temporarily filled by sworn personnel from within the department to ensure that the responsibilities of these roles are met. While necessary, these temporary assignments do not eliminate the need for permanent funding for these positions. To maintain operational efficiency, it is important to ensure that funding for higher-ranked positions remains intact.

Impact of Salary Reductions

Currently, salaries for police recruits are unfunded, requiring the HPD to reallocate funds from various activities to cover recruit salaries. Additionally, vacant position funds are used to pay for overtime due to staffing shortages or unexpected events. A reduction in salary funding would hinder the department's ability to fill vacant positions, to temporarily assign personnel to higher level positions, and to effectively plan and conduct operations that require overtime staffing.

Professional Advancement and Retention

Reducing funding for salaries would negatively impact professional growth within the department. Lack of funding may lead to a stagnation of career advancement opportunities and could discourage promotions, potentially causing officers and civilian personnel to seek employment elsewhere for better career prospects or compensation.

Referral Bonus for Recruitment

The HPD is considering a referral bonus for current departmental employees who successfully refer applicants for metropolitan police recruit and police communications officer positions. The goal is to encourage current employees to help fill vacancies by tapping into their networks or offering an incentive to promote these job openings. The bonuses would be funded from cost savings created by vacant positions, meaning that the savings from unfilled positions would be redirected toward these referral bonuses.

Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

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Potential Collective Bargaining Agreement Impact (FY2026)

The HPD anticipates that a new collective bargaining agreement (CBA) with the police union will take effect during FY2026. This agreement may include pay increases, lump-sum payments, and increased allowances. These potential changes were not factored into HPD's proposed budget for FY2026, so additional funds may be required to cover these costs. Similarly, potential salary adjustments, lump sums, and allowances may be funded through cost savings from vacant positions. The City Council will need to restore funding to ensure the department can meet the increased costs from the new CBA.

Potential COVID-19 Hazard Pay Settlement Impact

During FY2025, the City finalized a COVID-19 hazard pay settlement with the HPD's police union, the State of Hawaii Organization of Police Officers (SHOPO). This settlement provides hazard duty compensation to current and retired police officers who were employed between March 5, 2020, and March 5, 2022.

Under the terms of the agreement, 80 percent of the hazard pay will be issued in cash, and the remaining 20 percent will be awarded as vacation hours. All payments were initially scheduled to be disbursed by June 30, 2025.

The Managing Director has advised the HPD to ensure adequate salary savings, in order to meet future cash-out obligations. Specifically, the settlement allows officers to cash out 50 percent of their awarded vacation credits during FY2026, with the remaining 50 percent eligible for cash-out during FY2027. Additionally, officers who retire or resign will have their full balance of vacation credits cashed at the time of separation. The cost savings to pay these vacation credits would need to come from vacant position salaries.

Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

The department intends to use vacant position savings to fund both the recruitment bonuses and retention incentives, as well as to cover potential cost increases from the CBA, and vacation credit cash-outs awarded by the City's COVID-19 hazard pay settlement with the police union. Since these initiatives (bonuses, incentives, potential pay increases, and COVID-19 hazard pay settlement) were not included in the original

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budget, the HPD is requesting the restoration of funding to ensure that these efforts can be successfully implemented without negatively impacting the department's financial standing.

SUPPORT SERVICES

Councilmember: Andria Tupola

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$5,000,000 CE	GN	Add funding for current expenses. Add proviso: "At least \$5,000,000 out of current expenses shall be appropriated to provide employee retention incentives."

Department's Comments and Concerns

The HPD respectfully requests the omission of the current expense proviso allocating \$5,000,000 for employee retention incentives. Retention incentives must be funded through the Salaries character of expenditure, not through current expense funds. As written, this proviso renders the funds unusable for their intended purpose.

Additionally, the proviso introduces unnecessary administrative burdens. Because proviso funds are initially unallotted, the HPD must complete several time-consuming steps before the funds can be allotted. To use the funds in current expenses for retention incentives, a City Council resolution would be necessary to move the funds into the Salaries character of expenditure. These additional steps would create administrative burdens and delays, ultimately impeding the timely implementation of employee retention efforts.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$500,000 CE	GN	Add funding for current expenses. Add proviso: "At least \$500,000 out of current expenses shall be appropriated for specialty division training for officers assigned to investigative and enforcement unit."

Department's Comments and Concerns

The HPD respectfully requests the omission of the current expense proviso allocating \$500,000 for specialty division training for officers assigned to investigative and enforcement units. Elements in the Support Services activity carry out functions that are non-investigative and non-enforcement in nature. Investigative and enforcement units

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wanting to undergo specialty training must utilize current expense funds from their own activity and cannot access funds appropriated under the Support Services activity. As written, this proviso renders the funds unusable for their intended purpose.

Additionally, the proviso introduces unnecessary administrative burdens. Because proviso funds are initially unallotted, the HPD must complete several time-consuming steps before the funds can be allotted. To use the funds in current expenses for specialty division training, a City Council resolution would be necessary to move the funds into an activity with investigative elements.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$1,000,000 CE	GN	Add funding for current expenses. Add proviso: "At least \$1,000,000 out of current expenses shall be appropriated to referral bonuses for employee recruitment."

Department's Comments and Concerns

The HPD respectfully requests the omission of the current expense proviso allocating \$1,000,000 for referral bonuses for employee recruitment. Referral bonuses must be funded through the Salaries character of expenditure, not through current expense funds. As written, this proviso renders the funds unusable for their intended purpose.

Additionally, the proviso introduces unnecessary administrative burdens. Because proviso funds are initially unallotted, the HPD must complete several time-consuming steps before the funds can be allotted. To use the funds in current expenses for referral bonuses, a City Council resolution would be necessary to move the funds into the Salaries character of expenditure. These additional steps would create administrative burdens and delays, ultimately impeding the timely implementation of referral bonuses for employee recruitment.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$1,000,000 S	GN	Add funding for salaries. Add proviso: "At least \$1,000,000 out of salaries shall be appropriated to provide a pay differential for dispatch employees."

Department's Comments and Concerns

The HPD respectfully requests the omission of the proviso allocating \$1,000,000 from salaries to provide a pay differential for dispatch employees. As written, the term "dispatch employees" is overly broad and lacks a clear definition. The HPD Communications Division includes emergency radio operators and police

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communications officers at various levels, whose eligibility under the proviso may vary depending on individual interpretation. This ambiguity could result in incorrect application and administrative complications.

Additionally, the proviso introduces unnecessary administrative burdens. Because proviso funds are initially unallotted, the HPD must complete several time-consuming steps before the funds can be allotted. To use the funds in current expenses for retention incentives, a City Council resolution would be necessary to move the funds into the Salaries character of expenditure. These additional steps would create administrative burdens and delays, ultimately impeding the timely implementation of a pay differential for dispatch employees.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$7,500,000) S	GN	Reduce funding for salaries

Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

Civilian Positions

Civilian positions within the HPD are integral to the department's day-to-day operations. These roles require specialized knowledge, education, and experience to perform technical, analytical, and supervisory duties. Even when these positions remain vacant, the essential functions they support must continue. In such cases, when duties are reassigned to other civilian personnel, concerns related to collective bargaining agreements (CBA) may arise, further complicating operations. To ensure seamless functionality, it is imperative that all civilian positions are fully funded, allowing for active recruitment and hiring to fill these vital roles.

Metropolitan Police Officer Positions

The metropolitan police officer position plays a critical role in the HPD's recruitment strategy, particularly as new recruits enter the training pool. Officers placed in this position serve their initial assignments until they are eligible for promotion or transfer to new assignments. Maintaining full funding for these positions is crucial as the department continues its aggressive recruitment efforts and strives to expand the number of recruits and officers within the training pool.

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Higher-Ranked Position Vacancies

Vacancies in higher-ranked positions, such as corporals and above, are often temporarily filled by sworn personnel from within the department to ensure that the responsibilities of these roles are met. While necessary, these temporary assignments do not eliminate the need for permanent funding for these positions. To maintain operational efficiency, it is important to ensure that funding for higher-ranked positions remains intact.

Impact of Salary Reductions

Currently, salaries for police recruits are unfunded, requiring the HPD to reallocate funds from various activities to cover recruit salaries. Additionally, vacant position funds are used to pay for overtime due to staffing shortages or unexpected events. A reduction in salary funding would hinder the department's ability to fill vacant positions, to temporarily assign personnel to higher level positions and to effectively plan and conduct operations that require overtime staffing.

Professional Advancement and Retention

Reducing funding for salaries would negatively impact professional growth within the department. Lack of funding may lead to a stagnation of career advancement opportunities and could discourage promotions, potentially causing officers and civilian personnel to seek employment elsewhere for better career prospects or compensation.

Referral Bonus for Recruitment

The HPD is considering a referral bonus for current department employees who successfully refer applicants for metropolitan police recruit and police communications officer positions. The goal is to encourage current employees to help fill vacancies by tapping into their networks or offering an incentive to promote these job openings. The bonuses would be funded from cost savings created by vacant positions, meaning that the savings from unfilled positions would be redirected toward these referral bonuses.

Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

Potential Collective Bargaining Agreement Impact (FY2026)

The HPD anticipates that a new collective bargaining agreement (CBA) with the police union will take effect during FY2026. This agreement may include pay increases, lump-sum payments, and increased allowances. These potential changes were not factored

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into the HPD's proposed budget for FY2026, so additional funds may be required to cover these costs. Similarly, potential salary adjustments, lump sums, and allowances may be funded through cost savings from vacant positions. The City Council will need to restore funding to ensure the department can meet the increased costs from the new CBA.

Potential COVID-19 Hazard Pay Settlement Impact

During FY2025, the City finalized a COVID-19 hazard pay settlement with the HPD's police union, the State of Hawaii Organization of Police Officers (SHOPO). This settlement provides hazard duty compensation to current and retired police officers who were employed between March 5, 2020, and March 5, 2022.

Under the terms of the agreement, 80 percent of the hazard pay will be issued in cash, and the remaining 20 percent will be awarded as vacation hours. All payments were initially scheduled to be disbursed by June 30, 2025.

The Managing Director has advised the HPD to ensure adequate salary savings, in order to meet future cash-out obligations. Specifically, the settlement allows officers to cash out 50 percent of their awarded vacation credits during FY2026, with the remaining 50 percent eligible for cash-out during FY2027. Additionally, officers who retire or resign will have their full balance of vacation credits cashed at the time of separation. The cost savings to pay these vacation credits would need to come from vacant position salaries.

Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

The department intends to use vacant position savings to fund both the recruitment bonuses and retention incentives, as well as to cover potential cost increases from the CBA, and vacation credit cash-outs awarded by the City's COVID-19 hazard pay settlement with the police union. Since these initiatives (bonuses, incentives, potential pay increases, and COVID-19 hazard pay settlement) were not included in the original budget, the HPD is requesting the restoration of funding to ensure that these efforts can

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be successfully implemented without negatively impacting the department's financial standing.

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$1,500,000) S	GN	Reduce funding for salaries

Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

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The metropolitan police officer position plays a critical role in the HPD's recruitment strategy, particularly as new recruits enter the training pool. Officers placed in this position serve their initial assignments until they are eligible for promotion or transfer to new assignments. Maintaining full funding for these positions is crucial as the department continues its aggressive recruitment efforts and strives to expand the number of recruits and officers within the training pool.

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Impact of Salary Reductions

Currently, salaries for police recruits are unfunded, requiring the HPD to reallocate funds from various activities to cover recruit salaries. Additionally, vacant position funds are used to pay for overtime due to staffing shortages or unexpected events. A reduction in salary funding would hinder the department's ability to fill vacant positions, to temporarily assign personnel to higher level positions, and to effectively plan and conduct operations that require overtime staffing.

Professional Advancement and Retention

Reducing funding for salaries would negatively impact professional growth within the department. Lack of funding may lead to a stagnation of career advancement opportunities and could discourage promotions, potentially causing officers and civilian personnel to seek employment elsewhere for better career prospects or compensation.

Referral Bonus for Recruitment

The HPD is considering a referral bonus for current department employees who successfully refer applicants for metropolitan police recruit and police communications officer positions. The goal is to encourage current employees to help fill vacancies by tapping into their networks or offering an incentive to promote these job openings. The bonuses would be funded from cost savings created by vacant positions, meaning that the savings from unfilled positions would be redirected toward these referral bonuses.

Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

Potential Collective Bargaining Agreement Impact (FY2026)

The HPD anticipates that a new collective bargaining agreement (CBA) with the police union will take effect during FY2026. This agreement may include pay increases, lump-sum payments, and increased allowances. These potential changes were not factored into HPD's proposed budget for FY2026, so additional funds may be required to cover these costs. Similarly, potential salary adjustments, lump sums, and allowances may be funded through cost savings from vacant positions. The City Council will need to restore funding to ensure the department can meet the increased costs from the new CBA.

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The Managing Director has advised the HPD to ensure adequate salary savings, in order to meet future cash-out obligations. Specifically, the settlement allows officers to cash out 50 percent of their awarded vacation credits during FY2026, with the remaining 50 percent eligible for cash-out during FY2027. Additionally, officers who retire or resign will have their full balance of vacation credits cashed at the time of separation. The cost savings to pay these vacation credits would need to come from vacant position salaries.

Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

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Councilmember: Tyler Dos Santos-Tam (Budget Committee Chair)

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$2,480,352) S	GN	Reduce funding for salaries

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Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

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The metropolitan police officer position plays a critical role in the HPD's recruitment strategy, particularly as new recruits enter the training pool. Officers placed in this position serve their initial assignments until they are eligible for promotion or transfer to new assignments. Maintaining full funding for these positions is crucial as the department continues its aggressive recruitment efforts and strives to expand the number of recruits and officers within the training pool.

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Impact of Salary Reductions

Currently, salaries for police recruits are unfunded, requiring the HPD to reallocate funds from various activities to cover recruit salaries. Additionally, vacant position funds are used to pay for overtime due to staffing shortages or unexpected events. A reduction in salary funding would hinder the department's ability to fill vacant positions, to temporarily assign personnel to higher level positions, and to effectively plan and conduct operations that require overtime staffing.

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Professional Advancement and Retention

Reducing funding for salaries would negatively impact professional growth within the department. Lack of funding may lead to a stagnation of career advancement opportunities and could discourage promotions, potentially causing officers and civilian personnel to seek employment elsewhere for better career prospects or compensation.

Referral Bonus for Recruitment

The HPD is considering a referral bonus for current department employees who successfully refer applicants for metropolitan police recruit and police communications officer positions. The goal is to encourage current employees to help fill vacancies by tapping into their networks or offering an incentive to promote these job openings. The bonuses would be funded from cost savings created by vacant positions, meaning that the savings from unfilled positions would be redirected toward these referral bonuses.

Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

Potential Collective Bargaining Agreement Impact (FY2026)

The HPD anticipates that a new collective bargaining agreement (CBA) with the police union will take effect during FY2026. This agreement may include pay increases, lump-sum payments, and increased allowances. These potential changes were not factored into the HPD's proposed budget for FY2026, so additional funds may be required to cover these costs. Similarly, potential salary adjustments, lump sums, and allowances may be funded through cost savings from vacant positions. The City Council will need to restore funding to ensure the department can meet the increased costs from the new CBA.

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During FY2025, the City finalized a COVID-19 hazard pay settlement with the HPD's police union, the State of Hawaii Organization of Police Officers (SHOPO). This settlement provides hazard duty compensation to current and retired police officers who were employed between March 5, 2020, and March 5, 2022.

Under the terms of the agreement, 80 percent of the hazard pay will be issued in cash, and the remaining 20 percent will be awarded as vacation hours. All payments were initially scheduled to be disbursed by June 30, 2025.

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The Managing Director has advised the HPD to ensure adequate salary savings, in order to meet future cash-out obligations. Specifically, the settlement allows officers to cash out 50 percent of their awarded vacation credits during FY2026, with the remaining 50 percent eligible for cash-out during FY2027. Additionally, officers who retire or resign will have their full balance of vacation credits cashed at the time of separation. The cost savings to pay these vacation credits would need to come from vacant position salaries.

Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

The department intends to use vacant position savings to fund both the recruitment bonuses and retention incentives, as well as to cover potential cost increases from the CBA, and vacation credit cash-outs awarded by the City's COVID-19 hazard pay settlement with the police union. Since these initiatives (bonuses, incentives, potential pay increases, and COVID-19 hazard pay settlement) were not included in the original budget, the HPD is requesting the restoration of funding to ensure that these efforts can be successfully implemented without negatively impacting the department's financial standing.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$51,000) CE	GN	Reduce funding for current expenses for Object Code 2754 Parts & Accessories – Equipment (Furniture & Fixtures)

Department's Comments and Concerns

Honolulu Police Department Funding Restoration Request for Object Code 2754

The Honolulu Police Department (HPD) respectfully requests the restoration of funding for Object Code 2754 to procure high-quality chairs for use in the Communications Division. These chairs are essential for the health, comfort, and productivity of police communications officers and emergency response operators, who work in a high-demand environment for extended hours.

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Need for High-Quality Chairs

The Communications Division operates 24 hours a day, 365 days a year, with personnel frequently working 12-hour shifts or more. The chairs currently in use do not meet the ergonomic standards necessary for such prolonged sitting and constant use. As a result, workers are at risk of physical strain, discomfort, and fatigue that can all negatively impact their well-being and performance.

Substandard chairs can lead to increased workers' compensation claims, chronic sick calls, and a decline in employee morale, all of which would disrupt operations and increase costs. High-quality, ergonomically designed chairs will reduce physical stress and fatigue, promote employee wellness, and improve overall productivity. These improvements are essential, particularly as Communications Division personnel often stay for mandated overtime due to staffing shortages.

Cost and Implementation

Chairs of the necessary quality and specifications cost approximately \$3,000 each. The procurement of these chairs will be spread over two fiscal years to ensure that they are implemented in phases, allowing for proper allocation of resources.

Conclusion

The procurement of high-quality ergonomic chairs will significantly improve the working conditions for our police communications officers and emergency response operators, ensuring that they remain healthy, comfortable, and productive while performing their critical roles. We respectfully request the restoration of funding for Object Code 2754 to procure these chairs, which will contribute to the long-term health and efficiency of our communications team.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$700,000) CE	GN	Reduce Funds to Create an Online Portal for License to Carry Applications

Department's Comments and Concerns

Honolulu Police Department Funding Restoration Request for Online Portal Development

The Honolulu Police Department (HPD) respectfully requests the restoration of funding necessary for the development of an online portal for license to carry applications, a project mandated by a court order.

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Court-Ordered Mandate and Project Cost

The development of this online portal is a legal requirement, following a court order to enhance the efficiency and accessibility of the application process for licenses to carry. After obtaining estimates from potential vendors, it was determined that the average cost to implement this portal is approximately \$1,000,000. The current proposed funding reduction leaves the department with only \$300,000 to procure the project, which will significantly hinder the project's ability to move forward as intended.

Impact of Funding Shortfall

While the HPD will continue with the project despite the funding reduction, the lack of full funding may require a City Council resolution to reallocate funds between activities in order to complete the project. This delay could also result in the HPD remaining in noncompliance with the court order for a longer period, potentially leading to legal and operational challenges.

Additionally, the shortfall may force the department to delay other critical procurements in order to ensure adequate funding for the online portal. This could further impact other areas of HPD operations and services, compounding the difficulties caused by insufficient funding.

Conclusion

The HPD is committed to fulfilling the court order and successfully implementing the online portal for license to carry applications. However, to do so in a timely and compliant manner, the full requested funding of \$1,000,000 is necessary. We respectfully request the restoration of this funding to ensure that the project can proceed as planned without delays or additional complications.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$6,300,000) E	GN	Reduce funding for current expenses for Object Code 4310 Passenger Vehicles (Moved to CIP)

Department's Comments and Concerns

Honolulu Police Department Funding Restoration Request for Patrol Vehicles

The Honolulu Police Department (HPD) respectfully requests the restoration of funding for the procurement of patrol vehicles, which is critical to addressing the department's severe shortage of operational vehicles.

Patrol Vehicle Shortage and Impact

The HPD is currently facing a significant shortage of patrol vehicles, forcing the department to continue using vehicles that have exceeded their useful life, with some

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being 11 to 15 years old. These aging vehicles will remain in service until they are no longer viable for repair. This situation is unsustainable and puts unnecessary strain on the department's ability to respond effectively to calls for service and to maintain officer safety.

The movement of funds from the operating budget to the Capital Improvement Program (CIP) fund will delay the procurement of much-needed replacement vehicles, further exacerbating the shortage.

Fiscal Year 2025 Funding Shift and Challenges

In the Mayor's Fiscal Year 2025 (FY2025) budget proposal, funding for patrol vehicles was initially placed in the HPD's operating budget. However, during the process of adopting the FY2025 budget, this funding was moved into the CIP. Because of this shift, the HPD was unable to procure patrol vehicles using FY2025 CIP funds when the Department of Budget and Fiscal Services (BFS) advised that vehicle purchases must be funded by Equipment (Category C) funds in the operating budget.

As a result, the HPD submitted a resolution to move funds to Equipment, and this resolution was adopted by the City Council. Given this process, the HPD anticipates it will face similar challenges in using Fiscal Year 2026 CIP funds for patrol vehicle procurement. To avoid delays, the HPD will need the necessary funds to be included in the Equipment category within the operating budget to continue replacing outdated vehicles.

Conclusion

The procurement of patrol vehicles is essential for maintaining operational readiness, ensuring officer safety, and delivering critical services to the community. The HPD respectfully requests the restoration of the necessary Equipment funds to purchase replacement vehicles within the operating budget for Fiscal Year 2026. Further, the patrol cars must not be bond funded in CIP as such assets have shorter economic useful lives. In addition to creating an obstacle to timely procurement, HPD's return to standard patrol car fleet rotation will not be possible, increasing the risk of injury to our patrol officers and the public if patrol cars are used beyond their normal useful lives. We defer to the BFS for further clarification.

ADMINISTRATIVE SERVICES

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$3,000,000) S	GN	Reduce funding for salaries

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Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

Civilian Positions

Civilian positions within the HPD are integral to the department's day-to-day operations. These roles require specialized knowledge, education, and experience to perform technical, analytical, and supervisory duties. Even when these positions remain vacant, the essential functions they support must continue. In such cases, when duties are reassigned to other civilian personnel, concerns related to collective bargaining agreements (CBA) may arise, further complicating operations. To ensure seamless functionality, it is imperative that all civilian positions are fully funded, allowing for active recruitment and hiring to fill these vital roles.

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The metropolitan police officer position plays a critical role in the HPD's recruitment strategy, particularly as new recruits enter the training pool. Officers placed in this position serve their initial assignments until they are eligible for promotion or transfer to new assignments. Maintaining full funding for these positions is crucial as the department continues its aggressive recruitment efforts and strives to expand the number of recruits and officers within the training pool.

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Referral Bonus for Recruitment

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Honolulu Police Department

May 5, 2025

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Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

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Councilmember: Tyler Dos Santos-Tam (Budget Committee Chair)

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$5,270) CE	GN	Reduce funding for current expenses for OC3212 Out of State Travel (NEOGOV conference)

Department's Comments and Concerns

Honolulu Police Department Funding Restoration Request for Object Code 3212

The NEOGOV conference is designed for public sector and public safety professionals to enhance their industry knowledge and skills through expert-led sessions, targeted training, and valuable networking opportunities.

Honolulu Police Department

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The training sessions specifically focus on deepening participants' understanding of NEOGOV software functionality and its benefits to the HPD. Attendees will return equipped with strategies to better leverage the system, ultimately increasing its effectiveness and value.

NEOGOVS is used by the Human Resources Division (HRD) to streamline the recruitment process for HPD police recruits. If funding for this travel is deferred, HRD personnel would miss a critical opportunity to gain hands-on training that enhances their ability to fully utilize the software, limiting its potential impact on department operations.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
Proviso only	GN	Add proviso: "The \$20,273,277 appropriated under OC1101R – Recruit Salaries shall only be used for the \$25,000 hiring incentive, and salaries for Police Service Officers (Cadets) and other positions in the recruit training pool.

Department's Comments and Concerns

The HPD respectfully requests the omission of the proviso for \$20,273,277 appropriated under Object Code 1101R – Recruit Salaries shall only be used for the \$25,000 hiring incentive, and salaries for Police Service Officers (Cadets) and other positions in the recruit training pool.

Additionally, the proviso introduces unnecessary administrative burdens. Because proviso funds are initially unallotted, the HPD must complete several time-consuming steps before the funds can be allotted. These additional steps would create administrative burdens and delays, ultimately impeding the timely allocation of funds to pay personnel designated in the proviso. Furthermore, if HPD wanted to use these funds for any other purposes, the HPD would need to do a resolution to be approved by the City Council anyway.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$461,568) S	GN	Reduce funding for salaries

Department's Comments and Concerns

Honolulu Police Department Salary Funding Restoration Request

The Honolulu Police Department (HPD) respectfully requests the restoration of essential funding to support critical civilian and sworn positions within the department. Public

Honolulu Police Department

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safety remains the top priority, and it is vital that all positions—both civilian and sworn—are fully funded to meet the evolving operational needs of the department.

Civilian Positions

Civilian positions within the HPD are integral to the department's day-to-day operations. These roles require specialized knowledge, education, and experience to perform technical, analytical, and supervisory duties. Even when these positions remain vacant, the essential functions they support must continue. In such cases, when duties are reassigned to other civilian personnel, concerns related to collective bargaining agreements (CBA) may arise, further complicating operations. To ensure seamless functionality, it is imperative that all civilian positions are fully funded, allowing for active recruitment and hiring to fill these vital roles.

Metropolitan Police Officer Positions

The metropolitan police officer position plays a critical role in the HPD's recruitment strategy, particularly as new recruits enter the training pool. Officers placed in this position serve their initial assignments until they are eligible for promotion or transfer to new assignments. Maintaining full funding for these positions is crucial as the department continues its aggressive recruitment efforts and strives to expand the number of recruits and officers within the training pool.

Higher-Ranked Position Vacancies

Vacancies in higher-ranked positions, such as Corporals and above, are often temporarily filled by sworn personnel from within the department to ensure that the responsibilities of these roles are met. While necessary, these temporary assignments do not eliminate the need for permanent funding for these positions. To maintain operational efficiency, it is important to ensure that funding for higher-ranked positions remains intact.

Impact of Salary Reductions

Currently, salaries for police recruits are unfunded, requiring the HPD to reallocate funds from various activities to cover recruit salaries. Additionally, vacant position funds are used to pay for overtime due to staffing shortages or unexpected events. A reduction in salary funding would hinder the department's ability to fill vacant positions, to temporarily assign personnel to higher level positions, and to effectively plan and conduct operations that require overtime staffing.

Professional Advancement and Retention

Reducing funding for salaries would negatively impact professional growth within the department. Lack of funding may lead to a stagnation of career advancement

Honolulu Police Department

May 5, 2025

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opportunities and could discourage promotions, potentially causing officers and civilian personnel to seek employment elsewhere for better career prospects or compensation.

Referral Bonus for Recruitment

The HPD is considering a referral bonus for current department employees who successfully refer applicants for metropolitan police recruit and police communications officer positions. The goal is to encourage current employees to help fill vacancies by tapping into their networks or offering an incentive to promote these job openings. The bonuses would be funded from cost savings created by vacant positions, meaning that the savings from unfilled positions would be redirected toward these referral bonuses.

Retention Incentive

The HPD is also exploring a monthly retention incentive for employees. This would be designed to encourage long-term retention and reduce turnover, which is particularly critical in law enforcement where attrition can be costly and disruptive. Like the referral bonuses, the retention incentive would be funded by the cost savings from vacant positions, which would help sustain these initiatives without affecting the overall budget.

Potential Collective Bargaining Agreement Impact (FY2026)

The HPD anticipates that a new collective bargaining agreement (CBA) with the police union will take effect during FY2026. This agreement may include pay increases, lump-sum payments, and increased allowances. These potential changes were not factored into the HPD's proposed budget for FY2026, so additional funds may be required to cover these costs. Similarly, potential salary adjustments, lump sums, and allowances may be funded through cost savings from vacant positions. The City Council will need to restore funding to ensure the department can meet the increased costs from the new CBA.

Potential COVID-19 Hazard Pay Settlement Impact

During FY2025, the City finalized a COVID-19 hazard pay settlement with the HPD's police union, the State of Hawaii Organization of Police Officers (SHOPO). This settlement provides hazard duty compensation to current and retired police officers who were employed between March 5, 2020, and March 5, 2022.

Under the terms of the agreement, 80 percent of the hazard pay will be issued in cash, and the remaining 20 percent will be awarded as vacation hours. All payments were initially scheduled to be disbursed by June 30, 2025.

The Managing Director has advised the HPD to ensure adequate salary savings, in order to meet future cash-out obligations. Specifically, the settlement allows officers to cash out 50 percent of their awarded vacation credits during FY2026, with the remaining

Honolulu Police Department

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50 percent eligible for cash-out during FY2027. Additionally, officers who retire or resign will have their full balance of vacation credits cashed at the time of separation. The cost savings to pay these vacation credits would need to come from vacant position salaries.

Due to the unpredictable timing of vacation credit cash-outs, HPD must maintain sufficient cost savings from vacant positions. Any reduction in salary funding could jeopardize the department's ability to meet these financial obligations.

Conclusion

The HPD's ability to provide effective, responsive policing depends on maintaining adequate funding for both sworn and civilian positions. Without full funding, the department's operational efficiency, ability to recruit, and retention of talented personnel will be jeopardized. We respectfully request the restoration of this essential funding to ensure the continued safety and well-being of the Honolulu community.

The department intends to use vacant position savings to fund both the recruitment bonuses and retention incentives, as well as to cover potential cost increases from the CBA, and vacation credit cash-outs awarded by the City's COVID-19 hazard pay settlement with the police union. Since these initiatives (bonuses, incentives, potential pay increases, and COVID-19 hazard pay settlement) were not included in the original budget, the HPD is requesting the restoration of funding to ensure that these efforts can be successfully implemented without negatively impacting the department's financial standing.

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$75,000) CE	GN	Reduce funding for current expenses for Object Code 2401 Educational, Recreational & Scientific

Department's Comments and Concerns

Honolulu Police Department Funding Restoration Request for Object Code 2401

The Honolulu Police Department (HPD) respectfully requests the restoration of funding for Object Code 2401, which supports the Finance Division's Property and Supply Section. This section is responsible for purchasing a wide range of essential supplies for the department, including police-issued leather items, emergency meals, water, departmental flags, insignia patches for uniforms, and other critical items.

Critical Role of the Property and Supply Section

The Property and Supply Section ensures that all HPD personnel are adequately equipped with the necessary supplies to perform their duties efficiently and safely. These supplies are distributed to personnel as needed, supporting day-to-day

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operations as well as emergency responses. For example, police-issued leather items and uniform patches are vital for maintaining a professional appearance, while emergency meals and water are critical in ensuring that officers can sustain themselves during prolonged shifts, particularly during times of crisis or disaster.

Impact of Funding Reduction

A reduction in funding for Object Code 2401 could severely impede the HPD's ability to issue essential supplies in a timely manner. This may result in delays in replenishing inventories, leaving the department ill-prepared during emergencies or natural disasters. In such situations, an inadequate supply of essential items could jeopardize both officer effectiveness and safety and hinder the department's ability to respond quickly and efficiently to critical incidents.

Conclusion

The availability of essential supplies is crucial for the HPD to maintain operational readiness and support the health and safety of our officers. The HPD respectfully requests the restoration of funding for the Property and Supply Section to ensure that necessary supplies are always available, particularly during times of emergency or natural disaster.

DEPARTMENT OF THE PROSECUTING ATTORNEY-2 P12:49
KA 'OIHANA O KA LOIO HO'OPI'I
CITY AND COUNTY OF HONOLULU

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1060 RICHARDS STREET • HONOLULU, HAWAII 96813
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DIRECTOR OF BUDGET
& FISCAL SERVICES
C&C OF HONOLULU

STEVEN S. ALM
PROSECUTING ATTORNEY
LOIO HO'OPI'I



THOMAS J. BRADY
FIRST DEPUTY PROSECUTING ATTORNEY
HOPE MUA LOIO HO'OPI'I

May 2, 2025

MEMORANDUM

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: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

ADMINISTRATION

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$350,000	GN	Adding per department's request for Office Space expansion at Alii Place

Department's Comments and Concerns:

The Department of the Prosecuting Attorney (PAT) appreciates the additional funds that will allow the department to expand office space at Alii Place. Alii Place has been home to PAT since December 1992. The entire time, we have been on the 9th and 10th floors. Across the street from the HPD main station on Beretania Street, HPD provided a small "satellite office" for screening prosecutors to confer with detectives about felony cases. We were informed by HPD in 2023 that we would need to move out of our office space. In any case, we could not staff the office properly at the time, so we agreed to move out. Nevertheless, PAT needs more office space due to our success in filling vacant employee positions, the growth of programs such as Safe and Sound, and the need to screen more pending felony cases.

PAT respectfully requests the character of expenditure be changed from S (Salaries) to CE (Current Expense).

DEPARTMENT OF TRANSPORTATION SERVICES

KA 'OIHANA LAWELAWE 'ŌHUA

CITY AND COUNTY OF HONOLULU

711 KAPI'OLANI BOULEVARD, SUITE 1600
HONOLULU, HAWAII 96813

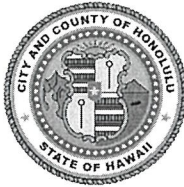
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DIRECTOR OF BUDGET
& FISCAL SERVICES
C&C OF HONOLULU

RICK BLANGIARDI
MAYOR
Meia



J. ROGER MORTON
DIRECTOR
PO'O

JON Y. NOUCHI
DEPUTY DIRECTOR
HOPE PO'O

May 2, 2025

MEMORANDUM

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

A handwritten signature in black ink, appearing to read "J. Roger Morton", is written over the text of the "FROM" field.

SUBJECT: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

Attachment

Transportation Engineering

Councilmember: Tommy Waters

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$200,000	GN	Add proviso: At least \$200,000 out of Current Expenses shall be appropriated to the Waikiki Transportation Management Association as matching funds for the Centennial Park Bus Staging Project.

Department's Comments, Concerns:

The Department of Transportation (DTS) appreciates the addition, however we respectfully decline the proviso associated with our Transportation Engineering activity. It is not clear that funding will be added to current expense since "add funding" was not included in the detailed description of amendment. The Transportation Engineering Activity does not have funds budgeted in General Funds (GN) so it is unclear how the proviso language will impact the Activity without an corresponding addition of current expenses.

Transportation Technology

Councilmember: Tommy Waters

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$10,000	GN	Hawaii Kai Park & Ride Security Cameras

Department's Comments and Concerns:

The Department of Transportation Services (DTS) appreciates the addition, however we respectfully decline since it is not clear if funds will be added to current expense. Also security cameras at the Hawaii Kai Park and Ride would be ineffective without power and monitoring by enforcement agencies needed to act upon any security issue that may arise.

Administration

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$500,000	GN	Amend proviso to: "At least \$500,000 out of current expenses shall be appropriated for OC3945 - Traffic Safety Program Expenses for the Implementation of Traffic Speed Reduction around School Zones."

Department's Comments, Concerns:

The Department of Transportation (DTS) does not have any concerns with amended proviso language.

Transportation Mobility

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$10,000	GN	Add funding for current expenses. Add proviso: "At least \$10,000 shall be appropriated to fund security upgrades such as cameras at the Hawaii Kai Park and Ride.

Department's Comments and Concerns:

The Department of Transportation Services (DTS) appreciates the addition, however we respectfully decline this add since adding Security Cameras at the Hawaii Kai Park and Ride would be ineffective without power and monitoring by enforcement agencies needed to act upon any security issue that may arise.

Transportation Mobility

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$76,500	BT	Restore funding for current expenses for OC3049 Other Services - Not Classified

Department's Comments and Concerns:

The Department of Transportation Services (DTS) appreciates the restoration of these funds and respectfully requests the restoration of this funding be in the Transportation Rail activity where the reduction occurred in Bill 22 (2025),CD1.

**DEPARTMENT OF HOUSING AND LAND MANAGEMENT
KA 'OIHANA HO'OLĀLĀ KŪKULU HALE A ME KA HO'OKELE 'ĀINA
CITY AND COUNTY OF HONOLULU**

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'25MAY 7 AM 10:09 CIP & OPER

RICK BLANGIARDI
MAYOR
MEIA



KEVIN D. AUGER
DIRECTOR
PO'O

CATHERINE A. TASCHNER
DEPUTY DIRECTOR
HOPE PO'O

May 2, 2025

MEMORANDUM

TO: Michael D. Formby, Managing Director

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

FROM: Kevin D. Auger, Director Designate
Department of Housing and Land Management

SUBJECT: FY 2026 Operating Budget CD2 Response (Comments and Concerns)

A handwritten signature in blue ink, appearing to read "Kevin D. Auger", is written over the "FROM:" line of the memorandum.

Attached are our agency's comments and concerns to Bill 22 proposed CD2 amendments.

Attachment

DEPARTMENT: Housing and Land Management

May 2, 2025

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ADMINISTRATION

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
		Delete Department of Housing and Land Management

Department's Comments, Concerns:

The Department of Housing and Land Management (HLM) respectfully requests the restoration of HLM since the Resolution 25-86, FD1 was adopted on 4/30/2025 which amends the Revised Charter of the City and County of Honolulu 1973, (Amended 2017 Edition) to include the reorganization and establishment of the Department of Housing and Land Management is effective 05/01/2025.

In addition, the restoration of HLM will align the department to its source of funds so it's able to comply with its powers, duties and functions.

ADMINISTRATION

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$610,260)	GN	Reduce seven positions and funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of 7.00 positions and \$610,260 to its FY26 operating budget.

ADMINISTRATION

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$241,680)	CF	Reduce funding for current expenses.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of \$241,680 to its FY26 operating budget.

DEPARTMENT: Housing and Land Management

May 2, 2025

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ADMINISTRATION**Councilmember: Radiant Cordero**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$4,341,220)	GN	Reduce funding for current expenses.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of \$4,341,220 to its FY26 operating budget.

CONSERVATION OFFICE**Councilmember: Radiant Cordero**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$212,568)	CF	Reduce three positions and funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of 3.00 positions and \$212,568 to its FY26 operating budget.

CONSERVATION OFFICE**Councilmember: Radiant Cordero**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$461,439)	CF	Reduce funding for current expenses.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of \$461,439 to its FY26 operating budget.

DEPARTMENT: Housing and Land Management

May 2, 2025

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HOUSING DEVELOPMENT**Councilmember: Radiant Cordero**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$793,596)	GN	Reduce 11 positions and funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of 11.00 positions and \$793,596 to its FY26 operating budget.

HOUSING DEVELOPMENT**Councilmember: Radiant Cordero**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$125,750)	GN	Reduce funding for current expenses.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of \$125,750 to its FY26 operating budget.

HOUSING FINANCE**Councilmember: Radiant Cordero**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$450,420)	GN	Reduce seven positions and funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of 7.00 positions and \$450,420 to its FY26 operating budget.

DEPARTMENT: Housing and Land Management

May 2, 2025

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HOUSING FINANCE**Councilmember: Radiant Cordero**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$138,168)	AF	Reduce funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of \$138,168 for salaries to its FY26 operating budget.

HOUSING POLICY**Councilmember: Radiant Cordero**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$557,748)	GN	Reduce five positions and funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of 5.00 positions and \$557,748 to its FY26 operating budget.

HOUSING PROPERTY/ASSET MANAGEMENT**Councilmember: Radiant Cordero**

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$591,683)	GN	Reduce eight positions and funding for salaries

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of 8.00 positions and \$591,683 to its FY26 operating budget.

DEPARTMENT: Housing and Land Management

May 2, 2025

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HOUSING PROPERTY/ASSET MANAGEMENT

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$1,850,752)	GN	Reduce funding for current expenses.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of \$1,850,752 to its FY26 operating budget.

LAND TRANSACTIONS

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$418,248)	GN	Reduce six positions and funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of 6.00 positions and \$418,248 to its FY26 operating budget.

LAND TRANSACTIONS

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
(\$1,142,254)	GN	Reduce funding for current expenses.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the full restoration of \$1,142,254 to its FY26 operating budget.

DEPARTMENT: Housing and Land Management

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LAND MANAGEMENT (DLM)

ADMINISTRATION

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$3,180,275	GN	Add 47 positions and funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the deletion of 47.00 positions and \$3,180,275 from DLM's FY26 operating budget.

LAND MANAGEMENT (DLM)

ADMINISTRATION

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$454,248	CF	Add funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the deletion of \$454,248 from DLM's FY26 operating budget.

LAND MANAGEMENT (DLM)

ADMINISTRATION

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$138,168	AF	Add funding for salaries.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the deletion of \$138,168 from DLM's FY26 operating budget.

DEPARTMENT: Housing and Land Management

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LAND MANAGEMENT (DLM)

ADMINISTRATION

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$7,701,656	GN	Add funding for current expenses.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the deletion of \$7,701,656 from DLM's FY26 operating budget.

LAND MANAGEMENT (DLM)

ADMINISTRATION

Councilmember: Radiant Cordero

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$461,439	CF	Add funding for current expenses.

Department's Comments, Concerns:

Effective 05/01/2025 per Res 25-86, FD1, the Department of Housing and Land Management (HLM) was established. HLM respectfully requests the deletion of \$461,439 from DLM's FY26 operating budget.