

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 16, 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: Executive Operating Budget: Bill 22 (2025), CD1
Proposed Amendments for CD2

Attached are the departmental comments to Bill 22 (2025), CD1 for proposed amendments for 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 blue ink, appearing to read "Andrew T. Kawano", is written over a horizontal line.

Andrew T. Kawano
Director

Attachment

APPROVED:

A handwritten signature in black ink, appearing to read "Michael D. Formby", is written over a horizontal line.

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

DEPT. COM. 358 BUD

ATTACHMENT

Departmental Responses to Bill 22 (2025), CD2

DEPARTMENT OF BUDGET AND FISCAL SERVICES

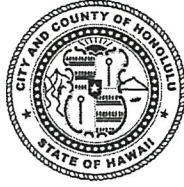
KA 'OIHANA MĀLAMA MO'OHELU A KĀLĀ

'25MAY16 PM 1:52 CIP & OPER

CITY AND COUNTY OF HONOLULU

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RICK BLANGIARDI
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ANDREW T. KAWANO
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CARRIE CASTLE
DEPUTY DIRECTOR
HOPE PO'O

May 15, 2025

MEMORANDUM

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

VIA: Shelli Oye, Budget Program Administrator

FROM: Andrew T. Kawano
Director

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

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

Attached are our agency's comments and concerns to Bill 22 (2025) CD2 amendments.

Attachment

DEPARTMENT: BUDGET AND FISCAL SERVICES

May 16, 2025

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ACCOUNTING AND FISCAL SERVICES

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$303,615	GN	Add funding for salaries
\$(303,615)	SW	Reduce funding for salaries

PURCHASING AND GENERAL SERVICES

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$385,028	GN	Add funding for salaries
\$(385,028)	SW	Reduce funding for salaries

Department's Comments and Concerns:

We have concerns related to Council's change in the funding source for the salaries and current expenses directly related to sewer activities from the sewer fund to general fund across all departments. While relatively insignificant to both the sewer and general fund, using the general fund to fund salaries and current expenditures directly related to sewer activities could result in significant improper allocations of such expenditures between the general fund and sewer fund over time. In FY26, we will review these expenditure allocations between the funds for reasonableness and propose amendments to the expenditure funding allocations between the general fund and sewer fund in future years as required.

NEW GENERAL PROVISIO

<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:

Requiring a monthly report of all salary savings generated from vacant positions that includes specifics of expenditures and justification for each Department will cause an additional burden and a workload increase on staff. The report would not accurately reflect available salary funds and will not function as intended since salary savings fluctuate with the departments' needs and is not realized until later in the Fiscal Year.

DEPARTMENT: BUDGET AND FISCAL SERVICES

May 16, 2025

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For example, reported salary savings at the end of one month may be needed for vacation payout or recruitment incentive the next month.

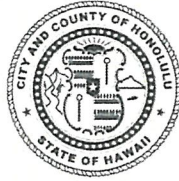
Since the ROH already requires reporting and, in some cases, approval by Council for the transfer of funds between characters of expenditures (i.e., salaries, current expenses), this new report would contain duplicative data should salary savings be used for current expense or equipment cost items.

Without transferring the funds to another character of expenditure, salary savings can only be used for salary costs, such as overtime, temporary assignments, vacation payouts, reallocations, recruitment incentives, and retroactive payments within the same activity.

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

925 DILLINGHAM BOULEVARD, SUITE 200 • HONOLULU, HAWAII 96817
PHONE: (808) 768-7762 • FAX: (808) 768-7792 • WEBSITE: honolulu.gov/dcs

RICK BLANGIARDI
MAYOR
MEIA



ANTON C. KRUCKY
DIRECTOR
PO'O

AEDWARD LOS BANOS
DEPUTY DIRECTOR
HOPE PO'O

May 16, 2025

MEMORANDUM

TO: Michael D. Formby, Managing Director

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

FROM: Anton C. Krucky, Director
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 (2025), CD2 amendments.

Attachment

ACTIVITY TITLE (Elderly Affairs)

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$71,016	GN	Restore funding for salaries

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 one (1) 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 six (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.

These salary funding would also be considered as contingency funds to mitigate affected federal funds cut in FY26.

ACTIVITY TITLE (Community Assistance)

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$57,192	GN	Restore funding for salaries

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.

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 these two vacancies. The salary savings would also be considered as contingency funds to mitigate affected federal funds cut in FY26.

DEPARTMENT OF DESIGN AND CONSTRUCTION

KA 'OIHANA HAKULAU A ME KE KĀPILI

CITY AND COUNTY OF HONOLULU

650 SOUTH KING STREET, 11TH FLOOR • HONOLULU, HAWAII 96813
PHONE: (808) 768-8480 • FAX: (808) 768-4567 • WEBSITE: honolulu.gov

25 MAY 16 AM 8:56 CIP & OPER

RICK BLANGIARDI
MAYOR
MEIA



HAKU MILLES, P.E.
DIRECTOR
PO'O

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

May 14, 2025

MEMORANDUM

TO: Michael D. Formby, Managing Director

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

A handwritten signature in black ink, appearing to read "Haku Milles", is written over the "VIA" line.

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 (2025), 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:

Funding has not been restored in the CD2 Amendments.
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:

Funding has not been restored in the CD2 Amendments.
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:

Funding has not been restored in the CD2 Amendments.
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:

Funding has not been restored in the CD2 Amendments.
We 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 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 the 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).

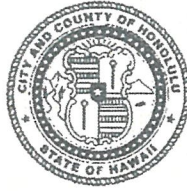
Department's Comments and Concerns:

Funding has not been restored in the CD2 Amendments.
We respectfully request full funding restoration. 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 POLICE DEPARTMENT
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CITY AND COUNTY OF HONOLULU
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'25MAY16 PM 3:32 CIP & OPER

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

Attached are our agency's comments and concerns to Bill 22 (2025), CD2 amendments.


Arthur J. Logan
Chief of Police

Attachment

Honolulu Police Department

May 15, 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

OFFICE OF THE CHIEF OF POLICE

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

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

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

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

SUPPORT SERVICES

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

ADMINISTRATIVE SERVICES

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

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

Honolulu Police Department

May 15, 2025

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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. The total loss of funding equates to approximately \$12.7 million.

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 to HPC

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.

Expansion of Communications to the Public

The Chief's Office in the Office of the Chief activity 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 15, 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 15, 2025

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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.

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 that 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

May 15, 2025

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Due to the unpredictable timing of vacation credit cash-outs, the 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 communications 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.

PATROL

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

<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 District 6 and District 7 patrol officers."

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.

Honolulu Police Department

May 15, 2025

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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.

Furthermore, the verbiage of the proviso, "shall be used for lease of office space for District 6 and District 7 patrol officers," renders the funds unusable because the office spaces are utilized by nonpatrol personnel (Burglary/Theft Detail , Misdemeanor Follow-up Detail, and Crime Reduction Unit officers).

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.

Honolulu Police Department

May 15, 2025

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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 the 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 CPTs are 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 officers' safely.

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.

Honolulu Police Department

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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. This unfunded proviso would further exacerbate the shortfall resulting from the approximately \$200,000 in funds that the Council has indicated they will cut from Patrol in FY2026. The ability to maintain and enhance essential equipment, particularly for patrol officers who respond to high-risk calls for service, could be compromised. Due to the proviso, 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 from Patrol 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 to 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. Without the proviso, the \$400,000 in funds would be better utilized for the benefit of all services carried out by Patrol personnel for the community and for the safety of the officers.

SUPPORT SERVICES

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

<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

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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.

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.

Honolulu Police Department

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<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$5,000,000 E	GN	Restore funding for equipment for Object Code 4310 – Passenger Vehicles

Department's Comments and Concerns

Honolulu Police Department Funding Restoration Request for Patrol Vehicles

The Honolulu Police Department (HPD) respectfully requests the full restoration of \$6,300,000 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 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. With the partially restored funding, the HPD would only be able to purchase 50 vehicles instead of the intended 63 and that would setback the HPD's progress toward replacing all patrol vehicles currently being used beyond their useful life.

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 full amount of Equipment funds to purchase 63 replacement vehicles within the operating budget for Fiscal Year 2026.

DEPARTMENT OF PLANNING AND PERMITTING
KA 'OIHANA HO'OLĀLĀ A ME NĀ PALAPALA 'AE
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May 16, 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 (DPP)

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

Attached are our agency's comments and concerns to Bill 22 (2025), CD2 amendments.

Attachment

DEPARTMENT: Planning and Permitting

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ADMINISTRATION

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(120,900)	GN	Reduce positions (1.00) and funding for salaries for OC 1101-Regular Pay

Department's Comments and Concerns:

The Department of Planning and Permitting (DPP) appreciates the restoration of the four (4) full-time equivalent (FTE) positions and salaries. However, **we are requesting full restoration of the \$120,900 in GN funding for salaries and restoration of the 1.00 FTE position.**

These positions 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>
<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 DPP does not support this reduction. 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.

LAND USE PERMITS (LUPD)

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(76,788)	GN	Reduce Positions (1.00) and funding for salary for OC 1101 – Regular Pay

Department's Comments and Concerns:

The Department appreciates the restoration of the two (2) full-time equivalent (FTE) positions and salaries. However, **we request restoration of \$76,788 in GN funding for salary and 1.00 FTE position LU149 Planner VI.**

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. The LUPD position was only vacant because the salary savings from that position was being used to pay for temporary assignment of the OHPC Program Administrator. The division should not be penalized because they assisted DPP with funding to provide OHPC services.

PLANNING

Councilmember: Tommy Waters

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(153,576)	GN	Reduce funding for salaries.

Department's Comments and Concerns:

The Department objects to this reduction and requests full restoration of the \$153,576 in salaries of GN funding for two (2) Planner VI positions.

Specifically, the reduction of positions and salaries are 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 has a start date of 06/02/2025.** If this position is deactivated a Reduce in Force (RIF) will need to be issued.

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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.

CUSTOMER SERVICE

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$(86,376)	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. However, **we request restoration of the \$86,376 in GN funding for salaries.**

The amount of \$86,376 in salaries fund our Planner VII, LU179, SR 28, 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. Currently, this position is filled with an employee who has been temporarily assigned (TA) to manage and supervise CCB. Reduction will not allow us to fund the temporary assignment 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

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Department's Comments and Concerns:

The Department does not support this reduction. 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.

PLANNING

Councilmember: Tyler Dos Santos-Tam

<u>Amount</u>	<u>Fund</u>	<u>Description</u>
\$258,500	GN	Adding positions (3.00) and funding for salaries for OC 1101-Regular Pay

Department's Comments and Concerns:

The Department appreciates the additional funding for salaries and positions towards agricultural planning and the OHPC. **DPP requests that the (1.0) Agricultural Planner position placed in the LUPD, rather than the Planning Division, and the (2.00) OHPC positions be placed under Administration.**