

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

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RICK BLANGIARDI  
MAYOR  
*MEIA*



MICHAEL D. FORMBY  
MANAGING DIRECTOR  
*PO'O HO'OKELE*  
  
KRISHNA F. JAYARAM  
DEPUTY MANAGING DIRECTOR  
*HOPE PO'O HO'OKELE*

March 23, 2026

The Honorable Val Okimoto, Chair  
and Members  
Committee on Budget  
Honolulu City Council  
530 South King Street, Room 202  
Honolulu, Hawai'i 96813

Dear Chair Okimoto and Councilmembers:

SUBJECT: Fiscal Year 2027 Budgets and Kona Low Storm Events

In light of the March 2, 2026 submission of the administration's Executive Operating and Capital Programs Budgets for Fiscal Year 2027 (FY27) and the subsequent Kona Low Storm Events, the most severe captured by Governor Green's declaration of a state of emergency on Monday, March 9, 2026 through Wednesday, April 13, 2026, and Mayor Blangiardi's declaration of a state of emergency in the City and County of Honolulu on March 20, 2026, we anticipate the need to work with the Honolulu City Council on certain necessary adjustments to the Executive Operating and Capital Programs Budgets to make sure we have the financial resources in place to help our residents and the City recover from the storm events. While our damage assessment process is just beginning, FEMA assistance, if any, typically comes in the form of reimbursement well after the events.

For awareness, the City will also be providing information and guidance to Kona Low Storm impacted property owners regarding Revised Ordinances of Honolulu (ROH) § 8-4.2 Remission of taxes in cases of natural disasters. The emergency proclamations issued by Governor and Mayor activate the availability of the tax remission. Generally, pursuant to ROH § 8-4.2, real property owners are eligible for a tax remission where real property was "wholly destroyed or was partially destroyed or damaged" as a result of a natural disaster. Where applicable, real property owners must file their application with the Director of the Department of Budget and Fiscal Services (BFS) "on or before June 30 of the tax year involved, or within 60 days after the declaration by the mayor of the natural disaster, whichever is later." Mayor, the Office of the Managing Director and

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BFS will do outreach to property owners to provide guidance on completing the application for a tax remission.

Finally, with the Gov.'s triggering of the emergency proclamation, ROH § 6-56.2 allows the appropriation by ordinance of the use of reserves in the City's Fiscal Stability Fund to advance funding relating to disaster recovery assistance from the State of Hawaii and/or FEMA, and to provide direct assistance to communities in dire need. Subject to discussion, Mayor Blangiardi proposes adding \$5M to the FY27 budget and that amount could also be reallocated to recovery efforts relating to the disaster.

We hope this information helps and informs future budget discussions and we thank you for your consideration of the above.

Sincerely,

A handwritten signature in black ink, appearing to read 'm. formby', with a long horizontal line extending to the right.

Michael D. Formby  
Managing Director