'26APR08 AM 9:05 CITY CLERK

HART
HONOLULU AUTHORITY for RAPID TRANSPORTATION

Lori M.K. Kahikina, P.E.
Executive Director and CEO | Po'o Ho'okō a Kahu Luna Nui Ho'okō

Mike O'Keefe
Deputy Executive Director and COO | Hope Po'o Ho'okō a Kahu Luna Ho'oponopono

BOARD OF DIRECTORS | KA PAPA ALAKA'I

Kika G. Bukoski
Chair | Lālā

Chris Takashige
Vice Chair | Hope Lālā

Anthony B. Aalto
Dawn Takeuchi Apuna
Lisa J. Baker
Natalie Iwasa
John H. Katahira
Jared N. Kawashima
Nelson Lee
J. Roger Morton
Joseph V. O'Donnell
Kaulana Park
Edwin H. Sniffen
Kathy Sokugawa

April 8, 2026

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

Dear Chair Okimoto:

Subject: Budget Communication No. 13
Request for Additional Information Relating to HART's Statement of Revenues and Surplus and Bill 22 (2026), Executive Operating Budget and Program for Fiscal Year 2027

This serves as a response to your letter dated March 31, 2026.

The Honolulu Authority for Rapid Transportation's (HART) Detailed Statement of Revenues and Surplus contained in D-842 (2025) reflects a budget of $61,800,000 in Oahu Transient Accommodations Tax (OTAT) receipts for FY 2027. This figure is consistent with HART's most recent financial plan, adopted by its Board of Directors in April 2025. This figure was also presented to the HART Board of Directors in September 2025 as part of its annual budget request approval process. The HART Board ultimately approved HART's FY 2027 budget request, and the budget request documents, including the Detailed Statement of Revenues and Surplus, were transmitted to the Mayor and the City Council on December 1, 2025 (D-842 (2025)).

Under the financial policies of its Board of Directors, HART must prepare and submit its annual budget request to the Board by September 15. Because this date falls early in the City's overall budget preparation cycle – before the City has developed a budget for HART's share of OTAT – HART's and the City's budgets for HART's share of OTAT have not historically matched. For example, for FY 2026, the City's approved budget for HART's share of OTAT is $54,106,000, while HART's budgeted amount is $57,200,000.

DEPT. COM. 245(26) BUD

If there should be any further questions, please do not hesitate to contact me.

Very truly yours,

Lori M.K. Kahikina, P.E.
Executive Director and CEO

cc: Office of the City Clerk
HART Board of Directors
Mr. Michael Formby, Managing Director
Mr. Andrew Kawano, Director of Budget and Fiscal Services
Ms. Carrie Castle, Deputy Director of Budget and Fiscal Services
Chair and Presiding Officer Tommy Waters
Councilmember Scott Y. Nishimoto, Vice Chair
Councilmember Esther Kia'āina
Councilmember Augie Tulba