



Looking at the City Budget: Where does the money come from ...and where does it go?

As the City Council continues its three-month review cycle of the 2008-2009 budget, its primary duty is to make sure the city has a balanced budget that will responsibly sustain the city's financial health and revenue, maintain city services, and account for the anticipated growth for the upcoming year. As Budget Chair for the second year, I am encouraged by the community's continued participation and feedback. Hopefully this column will help inform you more on what your city is doing for you and how we all make it happen.

For the 2009 fiscal year (July 1, 2008 - June 30, 2009), the Mayor has proposed a \$1.99 billion Executive Operating Budget and a \$831 million CIP Budget. To run the City and County of Honolulu for FY 2009, \$1.99 billion in operating funds generally fall within nine major categories: Public Safety (police and fire) 19.03%; Sanitation (waste water and solid waste) 14.34%; General Government 10.04%; Utilities or Other Enterprises (mass transit) 11.05%; Debt Service 16.92%; Culture-Recreation 4.91%; Human Services 3.90%; Highways and Streets 1.46%; Miscellaneous 18.35%. (*All percentages are based on the Mayor's proposed 2009 budget.)

Looking at the City's \$831.5 million Capital Improvement Program (CIP) Projects for FY 2009, which includes all construction and major equipment

purchases, CIP funds fall within the following areas: Sanitation (mainly sewer system improvements) 28.28%; Utilities or Other Enterprises (mass transit) 40.13%; Highways and Street 14.29%; General Government 6.46%; Public Safety 5.33%; Culture-Recreation 3.64%; Human Services 1.87%.* \$333.6 million of the CIP budget is for the City's mass transit project, which is funded completely with general excise tax revenues.

Where does all the money to run the city come from? For city operations, real property tax dollars are the main source of funding. For FY 2009, approximately \$791.2 million (39.76%* of the budget) come from Real Property taxes. The remainder of the operating budget is funded by other taxes and revenues, such as bus transportation, solid waste, licensing, transient accommodation tax, etc.

For the majority of the CIP budget, the city obtains funds by selling municipal bonds. Investors who purchase municipal bonds invest their capital in the City and County of Honolulu, which is then used to fund the city's construction projects and major equipment purchases. This is in essence borrowed money which the City then needs to repay with interest. For FY 2009, the Capital Budget is funded by: General Obligation Bonds 32.89%; Revenue Bonds 24.38%; Transit Funds 30.2%; Federal Funds 8.46%; Capital Projects Funds 4.06%; and

Special Projects Fund 0.01%.*

As the Council culminates its 3-month review of the Mayor's proposed budget, decisions need to be made on amendments, revenue sourcing, taxes, and budget surplus in alignment with our priorities and policy. Through May, Council will continue to look for places where the budget can be trimmed.

Last year, City Council adopted Resolution 07-060 CD1, which addressed how the city regulates its revenue from Real Property Tax and how it uses those funds in the operating budget. The resolution determined that the total revenue of Real Property Tax would be distributed at an established percentage, such that the Residential Class comprises 55% of the total revenue and the Non-Residential Class (Hotel and Resort, Commercial, and Industrial) comprise the remaining 45% of the revenue.

Again, your input is a vital part of this process and I encourage you to provide testimony in person or via email for the upcoming committee and council meetings this month. If you have any direct comments or questions, you may email me at tapo@honolulu.gov or call our office at 547-7001. Additionally, we regularly send out electronic newsletters. If you would like to join our mailing list, please visit www.toddapo.org. Mahalo! ♦



Honolulu City Council
LEGISLATIVE HIGHLIGHTS

Council Review

ESTABLISHING HULA HALAU ZONING – On April 16, 2008, the Council unanimously adopted Councilmember Apo’s Resolution 08-46, which allowed hula halau to remain in their existing facilities. The Council discussion focused on the Land Use Ordinance (LUO) and whether it was possible for a hula halau to be an acceptable use, according to current LUO definitions, in more than one category. The Department of Planning and Permitting (DPP) formerly considered hula halau to meet the definition of “dance school” or “music school,” which prohibited them from being located in industrial-zoned districts. The new zoning status would allow them to stay in industrially zoned areas.

HALE WAI VISTA EXEMPTIONS—Resolution 08-70 CD1
On April 16, Resolution 08-70 CD1 was adopted by City Council, approving the developer’s application for affordable housing exemptions and authorizing the project to proceed. While there is a Developer Agreement that defines the scope of this project, it does not provide specific requirements. The next step is for leaders of the community to get together with the developer and make sure that the project is done in a sensitive way. Because this dialogue is very important, Councilmember Apo will be working directly with all stakeholders and the developer to ensure that this happens.

Items Under Consideration

ALCOHOL ADVERTISEMENT NEAR PARKS - Bill 37 (2008), a legislative measure aimed at promoting the health and safety of the public. The bill would restrict placement of alcohol and alcoholic product advertisements in publicly visible locations that are within 500 feet of public parks. The bill passed first reading on May 7. Councilmember Apo introduced this bill at the request of the Nanakuli-Mailii Neighborhood Board.

INTEGRITY OF PRINTED HAWAIIAN NAMES - In keeping form with the intention of the Hawaii State Constitution to pre-

serve Hawaiian culture and language, Councilmember Donovan Dela Cruz proposed Bill 39 (2008). This item will work to correctly identify all Hawaiian name places with proper spelling and punctuation. The formal incorporation of the Okina and Kahako in all city signs with Hawaiian names and language has been proposed. This bill does not aim to retrofit or reprint any signs; it would take effect upon its approval and shall apply to all city signs produced after the effective date. After passing first reading, this measure will be heard again at June’s full council meeting.

AMENDING TRANSPORTATION IMPROVEMENT PROGRAM (TIP) PROJECTS - The City’s administration has requested that the Council consider amendments to the TIP. Councilmember Apo sponsored this piece that considers the addition of a Bus and Handi-Van maintenance facility for West Oahu operations. The deliberation of the West Oahu Bus and Handi-Van maintenance facility is one of several transit issues discussed in this resolution. The City will consider the decision to amend the Transportation Improvement Program (TIP) in order to secure federal funding for the matter. This process, set forth by the Hawaii Revised Statutes, requires that all projects for which federal assistance is desired that involve or affect the Oahu metropolitan planning organization (OahuMPO) shall be initiated by submission to the Council of the City and County of Honolulu for its prior approval.♦

CITY COUNCIL ONLINE
To view Bills and Resolutions, go to:
<http://www4.honolulu.gov/docushare/dsweb/View/Collection-193>

To view video archives of Council meetings, go to:
http://olelo.granicus.com/ViewPublisher.php?view_id=9

CITY COUNCIL CALENDAR

MAY COUNCIL MEETING

May 7 9:00 a.m. Weds

COMMITTEE MEETINGS

May 13	9:00 a.m.	Tues	Zoning
May 13	1:00 p.m.	Tues	Planning & Sustainability
May 14	9:00 a.m.	Weds	Budget
May 14	1:00 p.m.	Weds	Executive Matters
May 15	9:00 a.m.	Thurs	Transportation/Pub Works
May 15	11:30 a.m.	Thurs	Intergovernmental Affairs
May 15	1:00 p.m.	Thurs	Public Health, Safety & Welfare
May 15	3:00 p.m.	Weds	Aff.Housing/Economic Dev

SPECIAL BUDGET COMMITTEE MEETING

May 20 2:00 p.m. Tues

JUNE COUNCIL MEETING

Jun 4 9:00 a.m. Weds

COMMITTEE MEETINGS

Jun 24-26

*To view Council and
Committee Meeting Agendas, go to:*

<http://www4.honolulu.gov/docushare/dsweb/View/Collection-897>

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UPDATES: Ocean Pointe Fire Station

The Ewa Beach community will soon welcome a new fire station, closer to its communal core. This relocation effort has been underway for a few years, and has recently gained much momentum. Councilmember Apo was successful in securing \$100,000 for planning and design in the fiscal budget for 2008. The 2009 FY budget proposes \$7,346,000 for the project. The one-acre lot for the new location was donated by the developer Haseko, Inc. The relocation effort will provide the Ewa area with greater emergency response capability from a more central location, improving fire and emergency response time.

Iroquois Point Beach Access

Access to Iroquois Point Beach is now open to the public. The beach is open from sunrise to sunset. At the front gate, one-day passes (free) are available for cars and motorized vehicles, and there will be a total of 23 parking stalls available. All drivers must present a valid driver's license and car documents (registration/insurance/safety). Cyclists must present a valid state or government-issued ID. Beach users are advised to enter the water at their own risk as there are no lifeguards on duty. Restrooms facilities are available, however beach chairs and cabanas are restricted to Iroquois Point residents. For more information call Mary Lobo or Kirin Polk at 203-5000.

Mahalo to Scott Ishikawa

Since 2003, Scott Ishikawa has been diligently serving the State of Hawaii as spokesperson for the Department of Transportation. His last day with DOT was May 2, as he will join Bright Light Marketing Group as Vice President later this month. We are all grateful for his hard work and dedication these past 5 years and wish him the best on his next endeavor.

WATCH

WESTSIDE SOLUTIONS

with
Councilmember
Todd Apo



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THURSDAYS, 8:30 pm
'Olelo Channel 54

'olelo: building community