



# CITY COUNCIL

Barbara Mashall, Council Chair

---

## POWERS, DUTIES AND FUNCTIONS

The 1973 Revised Charter of the City and County of Honolulu expressly establishes the “legislative branch” as coordinate with the executive branch of city government and vests the legislative power in the city council.

As the legislative body of the city, the council performs the following major duties and functions:

- Sets city-wide policies by enacting ordinances and adopting resolutions relating to municipal government programs and services, such as police and fire protection, parks and recreation, affordable and special needs housing, sanitation and waste disposal, public transportation, and other city government operations;
- Initiates new municipal programs that the city may pursue or improvements to existing programs and services;
- Adopts the annual operating and capital programs and budgets to fund the operations of the city and the delivery of city services;
- Adopts measures that will yield sufficient moneys to balance the budget, including the setting of the annual real property tax rates and authorizing the issuance of general obligation bonds;
- Adopts a general plan for the city and land use laws affecting the city’s development plans and zoning regulations and processes;
- Establishes policies for development in or near the shoreline by reviewing and granting applications for special management area use permits and shoreline setback variances upon recommendation of the department of planning and permitting;
- Makes requests to the city auditor to conduct performance audits of city agencies and programs to determine whether laws, policies, and programs are being carried out in the most effective, efficient, and economical manner;
- Determines the necessity for taking property for public purposes and authorizes proceedings in eminent domain;
- Confirms city department heads and board and commission members nominated by the mayor;
- Fixes fees and charges for city services and the use of city property or delegates that authority to the city executive branch;
- Settles claims filed against the city and its officers and employees;
- Approves the compromise of real property tax claims in excess of \$500 upon recommendation of the director of budget and fiscal services;
- Approves the abandonment or closing of city streets and roads upon recommendation of the city administration;
- Establishes fines and penalties for violations of city ordinances;
- Accepts, on behalf of the city, gifts of money, securities, other personal property, or real estate or interests in real estate;
- Authorizes agreements between the city and other governmental and quasi-governmental agencies Which place obligations on the city; and
- Approves the appointment of special counsel for the city upon the recommendation of the corporation counsel.

## ORGANIZATION

For fiscal year 2006-07, the council exercised its legislative policy making and oversight powers through the work of eight standing committees. The standing committees served as open forums of discussion, debate, and consensus. They actively sought citizen participation in the legislative process by conducting meetings during which individuals as well as representatives of neighborhood boards, small businesses, interested organizations, and affected industries were encouraged to share their opinions and ideas on city government programs and activities. The number and diversity of public testimony received by the standing committees often formed the bases for recommendations for council action. In addition to the regularly scheduled committee meetings, the standing committees also held informational briefings to focus on complex issues and study new initiatives for city programs and services.

At the end of fiscal year 2006-07, officers and members of the council and its eight standing committees were the following:

Barbara Marshall, Chair  
Todd K. Apo, Vice Chair  
Nestor R. Garcia, Floor Leader  
Romy M. Cachola, Member  
Charles K. Djou, Member  
Donovan M. Dela Cruz, Member  
Ann H. Kobayashi, Member  
Gary H. Okino, Member  
Rod Tam, Member

### **Committee on Affordable Housing and Economic Development**

Chair: Romy M. Cachola  
Vice Chair: Donovan M. Dela Cruz  
Members: Todd K. Apo, Charles K. Djou, Ann H. Kobayashi

### **Committee on Budget**

Chair: Todd K. Apo  
Vice Chair: Gary H. Okino  
Members: Nestor R Garcia, Ann H. Kobayashi, Rod Tam

### **Committee on Executive Matters and Legal Affairs**

Chair: Ann H. Kobayashi  
Vice Chair: Donovan M. Dela Cruz  
Members: Todd K. Apo, Romy M. Cachola, Charles K. Djou, Nestor R Garcia, Barbara Marshall, Gary H. Okino, Rod Tam

### **Committee on Intergovernmental Affairs**

Chair: Charles K. Djou  
Vice Chair: Rod Tam  
Members: Romy M. Cachola, Donovan M. Dela Cruz, Ann H. Kobayashi

### **Committee on Public Health, Safety & Welfare**

Chair: Donovan M. Dela Cruz  
Vice Chair: Ann H. Kobayashi  
Members: Romy M. Cachola, Charles K. Djou, Gary H. Okino

### **Committee on Planning and Sustainability**

Chair: Gary H. Okino  
Vice Chair: Romy M. Cachola  
Members: Todd K. Apo, Ann H. Kobayashi, Rod Tam

### **Committee on Transportation & Public Works**

Chair: Nestor R Garcia  
Vice Chair: Charles K. Djou  
Members: Todd K Apo, Gary H. Okino, Rod Tam

### **Committee on Zoning**

Chair: Rod Tam  
Vice Chair: Todd K. Apo  
Members: Donovan M. Dela Cruz, Nestor R. Garcia, Gary H. Okino

## ACCOMPLISHMENTS

In fiscal year 2006-07, the council responded to a broad array of contemporary concerns and anticipated needs of the city and its residents and visitors. After studying and evaluating the many issues and problems brought before the council and considering the input of the city administration, public, and relevant interests, the council approved measures that may be categorized into the following general areas: (1) providing real property tax relief; (2) improving transportation; (3) regulating land uses and supporting the local economy; (4) managing solid waste and wastewater facilities; (5) protecting public safety; (6) enhancing recreational facilities and natural resources; (7) assisting various segments of the community; and (8) maintaining and improving city operations.

## PROVIDING REAL PROPERTY TAX RELIEF

### Home Owners and Renters

The council lowered tax rates for home owners and, indirectly, for renters of real property in the Improved Residential and Apartment classes for the third straight year. **Resolution 07-80, CD1**, which established the property tax rates for FY 2008, cut tax rates for those classes by 30 cents per \$1,000 of net property value, and also reduced tax rates for Unimproved Residential by two cents. **Ordinance 07-21** established a one-time real property tax credit of \$200 for home owners. **Ordinance 07-20** increased the tax credit for elderly, low income home owners, while **Ordinance 06-43** made it easier for taxpayers to claim the real property tax credit for home owners having incomes of \$50,000 or less by authorizing them to self-certify copies of their state income tax statement for the credit application. Ordinance 07-7 established a property tax exemption for owners of residential and agricultural kuleana lands. Beginning FY 2009, the council combined the Improved Residential, Unimproved Residential, and Apartment classes of real property for tax rate setting purposes (**Ordinance 07-10**), and established a city policy that real property tax rates be set so that this new Residential class account for a smaller share (55 percent) of the city's tax revenues, based on combining residential revenues with that from the Hotel and Resort, Commercial, and Industrial classes (**Resolution 07-60, CD1**).

### Agricultural and Preservation Land

**Resolution 07-80, CD1** also cut tax rates for Agricultural land by \$2.87, for Vacant Agricultural by seven cents, and for Preservation by \$3.87.

## IMPROVING TRANSPORTATION

### Transit

The council took major steps in advancing what will be the largest public works project ever undertaken in the City and County, the Honolulu High Capacity Transit Corridor Project. After extensive community hearings, council meetings, and public testimony, the council enacted **Ordinance 07-1**, which selected a fixed guideway system as the Locally Preferred Alternative, a designation necessary to qualify the project for future federal funding. The council then selected a route extending from East Kapolei, at the planned University of Hawaii West Oahu campus, to Leeward Community College, Pearl Ridge Center, Salt Lake, downtown, to Ala Moana Center, as the first phase of the transit project, known as the Minimum Operable Segment for federal funding purposes (**Resolution 07-39, F01**). In anticipation of the new development that the transit system could stimulate, the council required that an ordinance regulating development around transit stations be in place before funding for such stations is approved (**Ordinance 06-50**). **Ordinance 07-24**, the executive operating budget, appropriated \$135 million expected to be raised from the one-half percent excise tax surcharge for transit into the Transit Fund for FY 2008.

### New Intra-Island Ferry

The council approved a bid to obtain \$3.8 million of federal money to start a demonstration commuter ferry that would link Kalaeloa Harbor and Aloha Tower in downtown (**Resolution 06-282**). It also approved **Ordinance 07-13** establishing ferry fares at the same level as bus fares and providing for transfers from the ferry to the bus system and vice versa.

### Other Transportation Support

**Ordinance 06-52** prohibited the use of noisy electronic devices on buses. **Resolution 06-362, F01** approved \$1.5 billion in projects recommended for federal funding in fiscal years 2008 through 2011, including \$910 million for the Honolulu High Capacity Transit Corridor Project, \$155 million for bus maintenance, \$95 million for replacement buses (including the amount in **Resolution 06-232**), and \$73 million for an Alapai Transportation Management Center. **Resolution 07-5** approved an agreement between the city and the state Department of Transportation to transfer \$2.8 million in Ewa Highway Impact fees collected by the city to date from developers for highway improvements required by their projects. **Ordinance 07-25**, the executive capital budget, appropriated nearly \$50 million for rehabilitation of streets.

After Chevron Hawaii stopped producing asphalt, leaving Tesoro Hawaii as the only source of asphalt in the state, a two-month long shortage ensued, delaying a number of critically needed highway and roadway projects. **Resolution 06-305**, CD1 urged Tesoro Hawaii to ensure that an adequate and reliable supply of liquid asphalt is available to meet Hawaii's critical transportation needs.

## **REGULATING LAND USES AND SUPPORTING THE LOCAL ECONOMY**

### **Changes to Land Use Policies**

**Resolution 06-369** urged the Department of Planning and Permitting to allow increased density in the primary urban center development plan area by recommending increased height limits where possible when zone changes were made. At the same time, the council cautioned the department to consider infrastructure carrying capacity when recommending any increase in the current density within the primary urban center (**Resolution 07-58, CD1**). Caution was also expressed to the department in reviewing applications for new adult residential care homes in residential areas because such homes were seen as quickly multiplying in certain neighborhoods (**Resolution 07-116, CD1**). **Resolution 06-366** requested the department of planning and permitting to establish appropriate deadlines for project commencement and completion as conditions relating to significant approved zone changes. The council was concerned that development projects could lie dormant for years after rezoning while community conditions and development policies changed. Finally, the council proposed that streets built to city standards in subdivisions be automatically accepted without further council action (**Resolution 06-278**).

### **Actions in Anticipation of Transit**

The council looked to the challenges posed by development of transit and how compact, mixed use neighborhoods could be encouraged. It urged the city administration to submit proposed legislation enacting a transit-oriented development overlay district as an amendment to the Land Use Ordinance (**Resolution 06-286**). The council asked the Department of Planning and Permitting to review Vancouver, British Columbia's "Central Area Plan" legislation and recommend appropriate means by which the city may incorporate similar concepts (**Resolution 06-302**). It also asked the department to consider allowing hotel uses near transit centers (**Resolution 06-273**).

### **Specific Development Projects**

**Ordinance 06-53** rezoned 30 acres from AG-1 Restricted Agricultural zoning district to BMX-3 Community Business Mixed Use zoning district for the Kapolei Commons project, intended as a regional commercial center which would include retail and office uses, and multifamily dwellings. **Ordinance 07-8** and **Ordinance 07-9** permitted the expansion of Queen's Medical Center by amending the Hawaii Capitol Special District in the Land Use Ordinance and rezoning certain land parcels. After a developer proposed a project that included vacation cabins and indoor amusements next to the Hawaii Kai golf course, the council proposed requiring a conditional use permit before such uses could be located in the P-2 General Preservation zoning district (**Resolution 06-356** and **Resolution 06-355**). **Ordinance 07-14** and **Ordinance 07-15** made the requirements official. The developer's proposal was subsequently withdrawn. **Ordinance 07-16** rezoned 2 acres of land in Kahaluu to permit a child daycare facility. **Ordinance 07-31** rezoned 5 acres of land in Kapolei to enable development of a new Costco warehouse facility on it and an adjacent parcel. **Resolution 07-118, CD1** approved an amendment to the planned drainageway running through the Ocean Pointe subdivision to follow the subdivision's revised layout.

### **Actions to Support the Local Economy**

The council provided assistance to agricultural operations by enabling portions of agricultural land parcels to qualify for the lower tax rates afforded by agricultural dedication (**Ordinance 07-4**), and by proposing that farm fences be allowed to go as high as ten feet to better protect such operations (**Resolution 07-79**). It approved agreements with the Hawaii Tourism Authority, State of Hawaii, for the city to receive \$15 million to improve visitor destinations and activities (**Resolution 06-361, FD1**), and nearly \$25,000 for tourism planning (**Resolution 07-98**). The council also approved an agreement with the U.S. Economic Development Administration to receive \$150,000 to develop an incubation center to foster new technology firms (Resolution 07-154). It approved changes to the municipal parking lot ordinance to enable the municipal lot in Kaimuki to convert from a metered lot to an attendant lot, thereby encouraging faster turnover. Finally, the council extended Honolulu's sister city program to Rabat, Morocco (Resolution 06-229).

## **MANAGING SOLID WASTE AND WASTEWATER FACILITIES**

### **Solid Waste**

The council sought to reduce the load on the city's sole municipal landfill. It mandated an increase by the year 2010 in the tonnage of solid waste processed at the city's H-Power waste-to-energy plant (**Ordinance 06-41**). New recycling

goals were set (**Ordinance 06-40**). Also, the council urged the department of environmental services to seek proposals from private companies for development of an alternative waste-to-energy conversion facility to be submitted no later than January 30, 2007. It directed the director of environmental services to consider shipping municipal solid waste to the US mainland as a solid waste disposal alternative (**Resolution 07-10, CD1**). Relatedly, **Ordinance 07-24**, the executive operating budget, appropriated at least \$5 million to begin shipping solid waste off-island. To enable H-Power to continue to meet clean air standards, **Ordinance 07-25**, the executive capital budget, appropriated \$40 million for upgraded pollution controls at the plant. Following the ratification by the voters of a charter amendment requiring the city to initiate a curbside recycling program, **Ordinance 07-24**, the executive operating budget, appropriated at least \$3 million for such a program. Wastewater

**Ordinance 07-24**, the executive operating budget, appropriated a total of over \$400 million for wastewater projects for FY 2008, including \$66 million to expand the city's largest wastewater treatment plant at Sand Island. Recognizing that more revenues were needed to support the large schedule of projects to maintain and upgrade the city's wastewater system, sewer fees were increased over four years, beginning July 1, 2007 (**Ordinance 07-29**). The council also approved the issuance of \$375 million in revenue bonds for wastewater facility projects (**Resolution 06-267**).

## PROTECTING PUBLIC SAFETY

### Crime

Under state law (Section 712-1207, Hawaii Revised Statutes), Waikiki is designated a prostitution-free zone. Persons convicted of prostitution in that zone are prohibited from being on the streets and sidewalks of that zone in the evenings as a condition of probation and bail. Counties are authorized to designate additional zones. **Ordinance 06-48** extended the previously designated Downtown-Chinatown zone, which formerly ran from Punchbowl Street to Nuuanu Avenue, to continue to Aala Street.

### Natural Disasters

Resolution 06-168, CD1 requested that the department of design and construction and department of facility maintenance assess the city's storm drain system and capacity and design a system maintenance program. In the aftermath of an earthquake that shook Oahu on October 15, 2006, the council adopted **Resolution 06-344, CD1**, which requested the Oahu Civil Defense Agency to work with state agencies and private sector tourism and transportation associations and organizations to coordinate and improve communications during times of emergency and disruptions in airport operations. **Resolution 06-321** enabled the city's first responders to communicate with the various Federal and State of Hawaii public safety agencies and the electrical public utility company. **Resolution 07-37** approved the Mayor's reorganization of the Oahu Civil Defense Agency into a department of emergency management.

### Other Public Safety Concerns

**Ordinance 07-2** required all incidents of serious bodily injury from a dog bite to be reported to the Honolulu police department by medical service providers and veterinarians. **Ordinance 07-3** authorized the removal of dangerous derelict vehicles left in a school zone. **Ordinance 07-22** updated the city's construction requirements by adopting the International Building Code and International Residential Code for One and Two-Family Dwellings. This represents a major step toward having a uniform construction standard statewide. Following a 2006 state law that authorized individuals to obtain wine from out-of-state shippers for their personal use, **Resolution 06-352** approved a Liquor Commission rule requiring out-of-state wine shippers to obtain a \$120 annual permit. In response to years of negative news reports and audit results on the Liquor Commission, the council sought to bolster the accountability of the commission's management by proposing a charter amendment that would exempt the administrator and deputy administrator from civil service (**Resolution 06-372, CD1**). When news reports described a dire outlook for the financially strapped Kahuku Hospital, the council adopted **Resolution 06-374, CD1**, which urged the governor and Hawaii's congressional delegation to seek emergency funding, and the state legislature to provide emergency funding, to ensure that the hospital remained open beyond December 31, 2006. Funding was provided by the state to secure its continued operation past that date.

## ENHANCING RECREATIONAL FACILITIES AND NATURAL RESOURCES

### Recreation

**Ordinance 06-47** authorized the department of enterprise services to adopt rules governing the rental of surfboard lockers at Kuhio Beach. The changes corrected a situation where abuse by prior renters were reported. **Resolution 06-346** urged the administration to complete the long-stalled Kahaluu Regional Park. **Resolution 07-161** renamed the Beachwalk Triangle Park the Don Ho Memorial Park.

## Natural Resources

Following the ratification by the voters of a charter amendment requiring a portion of real property tax revenues to be used to preserve water quality and protect access to natural lands, the council established a fund to receive and expend such monies (**Ordinance 07-18**). **Ordinance 07-24**, the executive operating budget, appropriated \$39 million into that fund for FY 2008. The council rezoned lands at Pupukea and Paumalu on the north shore of Oahu back to their original agricultural zoning after a developer's plans to redevelop the land into an agricultural subdivision were not realized (**Ordinance 07-5**). After years of deadlock on the distribution of responsibilities between the city and the state of Hawaii for Kawai Nui marsh, an internationally renown wetland, progress was finally achieved which entailed the conveyance of most of the marsh from the city to the state (**Resolution 06-246, CD1**).

## ASSISTING VARIOUS SEGMENTS OF THE COMMUNITY

### Special Needs Funding

In response to concerns by the U.S. Department of Housing and Urban Development that the city needed to expeditiously expend the federal grant funds it was awarded, the council appointed community persons to serve on a committee to select programs that would receive those funds (**Resolution 06-316, FD1**). The selections of the committee were subsequently ratified in the approval of the city's Thirteenth (13th) Year Action Plan for Community Development Block Grant, Home Investment Partnerships, Emergency Shelter Grants and Housing Opportunities for Persons with AIDS Program Funds (**Resolution 07-57, CD1**), which would provide over \$11 million in federal grant funds in FY 2008

### Housing

Following the ratification by the voters of a charter amendment requiring a portion of real property tax revenues to be used to provide affordable housing, the council established a fund to receive and expend such monies (**Ordinance 07-19**). **Ordinance 07-24**, the executive operating budget, appropriated \$3.9 million into the fund for FY 2008. The council also approved exemptions from development regulations such as zoning for multi-family affordable housing projects in Waipahu (**Resolution 06-230, CD1** and **Resolution 06-244, CD1, FD1**). Following reports that the city would be selling its leasehold interest in the Kulana Nani affordable rental housing project, the council urged the city administration to keep the units affordable in perpetuity as a condition of the sale (**Resolution 06-194, CD1**). **Resolution 06-288** authorized an extension of the city's lease for the Kahuku Village affordable housing subdivision to 2010 to enable continued development of affordable units there. The council proposed amendments to the Land Use Ordinance to create a special category of land use for affordable rental housing (**Resolution 07-7**) and to allow the development of affordable housing units where land is in the B-2 Community Business zoning district (**Resolution 07-8**) When the private foundation that owned the Kukui Gardens affordable housing project announced it would sell the property, the council urged the governor and the legislature to intervene and ensure that the project would remain affordable in perpetuity (**Resolution 06-288**). The legislature and governor subsequently approved funding for this purpose. **Resolution 07-176, FD1** approved an agreement with the state government to obtain \$2 million for temporary emergency shelter for homeless persons. **Resolution 06-202, CD1** authorized an application for \$2.4 million in federal funds to train at-risk youths to rehabilitate public housing units while completing requirements for a high school diploma.

### Employment Assistance

The council approved agreements to obtain more than \$11 million in federal funds to partner with the state government in helping various need groups gain employment (**Resolution 06-217, Resolution 06-223, Resolution 06-284, Resolution 07-40, Resolution 07-138, Resolution 07-139, and Resolution 07-150**). The council also approved an agreement to help recruit persons to become certified nurses aides (**Resolution 06-342**).

### Waikiki

The council provided relief to residents and businesses in Waikiki by approving **Ordinance 06-39** which limited the number of parades allowed there. The ordinance struck a balance among the desire of Waikiki residents and businesses to limit disruptions to their community, the free speech rights of community groups, and the interests of various parade organizers.

## MAINTAINING AND IMPROVING CITY OPERATIONS

### Budget Issues

**Ordinance 07-23, Ordinance 07-24, and Ordinance 07-25** established the city's legislative budget, executive operating budget, and executive capital budget, respectively, for FY 2008. **Resolution 07-71, CD1** urged the city administration to review the way it assesses mixed-use properties. **Ordinance 07-28** established an Other Post-Employment Benefits (OPEB) Reserve Fund, which was recommended by the city administration to advance fund the health care

costs of city retirees. **Ordinance 07-24**, the executive operating budget, appropriated over \$40 million into the OPEB fund, and \$7.5 million into the Reserve for Fiscal Stability Fund for FY 2008. **Resolution 06-222** established city policies governing the amount of money to be maintained in the fiscal stability fund. To address the backlog in resolving real property tax appeals, **Ordinance 06-38** authorized additional boards of review.

### **Collective Bargaining**

A number of agreements between the city and unions representing city employees were approved (**Resolution 07-134** (Hawaii Government Employees Association), **Resolution 07-174** and **Resolution 07-175** (United Public Workers), **Resolution 07-119, CD1, FD1** (Hawaii Fire Fighters Association), Resolution 07-188 (State of Hawaii Organization of Police Officers)).

### **Other**

**Resolution 06-277, CD1** requested the board of water supply to report to the council on the cost savings and other results of its 1999 to 2003 internal reorganization. **Resolution 06-291, CD1** established a task force to review the effectiveness of the neighborhood board system following a city audit report that found the system was not fulfilling its mission "due to its disjointed structure and operational deficiencies."