

CITY ADMINISTRATIVE RULES

TITLE 03

DEPARTMENT OF BUDGET AND FISCAL SERVICES

SUBTITLE 3 ACCOUNTING

CHAPTER 50

SPECIAL EVENTS FUND LOAN PROGRAM

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Historical note: This chapter is based substantially upon Special Events Fund Loan Program, Department of Finance, Administrative Rules, Subtitle 4, Chapter 21. [Eff 2/12/98; R **OCT 31 2004**]

§03-50-1 Purpose. The purpose of this chapter is to set the terms and application procedures for a Special Events Fund Loan. [Eff **OCT 31 2004**] (Auth: ROH §6-53.3(c), RCH §4-105) (Imp: ROH §6-53.2(b))

§03-50-2 Definitions. (a) "Final Settlement" is the amount remaining after deducting all expenses from an event's total sales revenue.
(b) "Loan" is a loan from the Special Events Fund, as provided for by section 6-53.2, ROH.
(c) "Qualified Nonprofit Organization" is a nonprofit organization, as defined in section 28-6.2, ROH. [Eff **OCT 31 2004**]

§03-50-3 Loan Terms and Conditions. (a) The maximum loan amount is \$10,000.

- (b) A current loan shall be non-interest bearing.
- (c) Loan proceeds shall be applied in the following order:
 - (1) Department of Enterprises Services' facility rental deposits.
 - (2) Identifiable and determinable charges for the Department of Enterprise Services' personnel and equipment.
 - (3) Purchase of tickets from the Department of Enterprise Services' Box Office for direct ticket sales into the community.
 - (4) Marketing expenses identified on the loan application form.
- (d) A loan is immediately due and payable if an event is canceled.
- (e) An organization with a delinquent loan will not be permitted to arrange an event at the Neil Blaisdell Center or the Waikiki Shell. [Eff **OCT 31 2004**] (Auth: ROH §§6-53.2(b), 6-53.3(c)) (Imp: ROH §6-53.2(b))

§03-50-4 Eligibility. (a) To be eligible for a loan, an organization must:

- (1) Be a qualified non-profit organization;
 - (2) Sponsor an event at the Neil Blaisdell Center and/or Waikiki Shell; and
 - (3) Generate ticket revenue through the Department of Enterprise Services' Box Office.
- (b) An organization with a delinquent loan shall not be eligible for a loan until it has paid the delinquent loan in full and four years have elapsed from the date the loan became delinquent. [Eff **OCT 31 2004**] (Auth: ROH §§6-53.2(b), 6-53.3(c)) (Imp: ROH §6-53.2(b))

§03-50-5 Application Procedure. (a) To apply for a loan, an organization must submit the following to the Department of Enterprise Services:

- (1) A copy of the organization's Internal Revenue Service Section 501 Determination Letter;
 - (2) A general excise tax exemption document;
 - (3) A completed loan application;
 - (4) A copy of the organization's most recent Federal tax return; and
 - (5) A resolution from the organization's Board of Directors authorizing the loan if loan proceeds are used for marketing expenses.
- (b) If the loan is approved, the organization must submit the following:
- (1) A note payable agreement signed by at least one of the organization's current officers; and

- (2) A personal guarantee signed by at least one of the organization's current officers. [Eff **OCT 31 2004**] (Auth: ROH §6-53.3(c) (Imp: ROH §6-53.2(b))

§03-50-6 Loan Repayment. (a) The loan is due and payable to the City Director of Budget and Fiscal Services upon determination of the final settlement or one year from the executed rental agreement contract date, whichever is sooner.

(b) The final settlement will first be applied to the loan balance.

(c) A loan not paid when due is delinquent and subject to interest and penalties, as specified in section 1-3.3, ROH. [Eff **OCT 31 2004**] (Auth: ROH §6-53.3(c)) (Imp: ROH §6-53.2(b))

§03-50-7 Effective Date. These rules shall take effect ten days after filing with the Office of the City Clerk. [Eff **OCT 31 2004**] (Auth: ROH §6-53.3(c)) (Imp: ROH §6-53)

§03-50-8 Severability. If any provision of these rules, or the application to any person or circumstances, is held invalid, the remainder of the rules, or the application of the provision to other persons or circumstances, shall not be affected. [Eff **OCT 31 2004**] (Auth: ROH §1-6) (Imp: ROH §6-53.2(b))

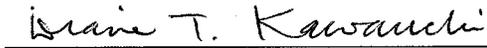
DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU

Title 3, Chapter 50, Special Events Fund Loan Program, on the summary page dated [**OCT 12 2004**] following public hearing held on July 29, 2004 after public notice was given in the Honolulu Advertiser on June 14, 2004.

These rules shall take effect ten days after filing with the Office of the City Clerk.


for IVAN M. LUI-KWAN, Director
Department of Budget and Fiscal Services

APPROVED AS TO FORM AND LEGALITY:


Deputy Corporation Counsel

APPROVED:


JEREMY HARRIS, Mayor
City and County of Honolulu

Dated: October 12, 2004

Received this 21st day of October, 2004.


DENISE COSTA, City Clerk

CERTIFICATE

I, Ivan M. Lui-Kwan, Director of Budget and Fiscal Services, City and County of Honolulu, hereby certify:

1. That the foregoing is a full, true and correct copy of Title 03, Chapter 50 of the Rules and Regulations of the Director of Budget and Fiscal Services, relating to special events fund loan program, having been adopted by the Director of Budget and Fiscal Services after a public hearing held on July 29, 2004.
2. That notice of public hearing on the foregoing Rules and Regulations, which notice included a statement of the substances of the proposed Rules and Regulations, was published in the Honolulu Advertiser on June 14, 2004.



IVAN M. LUI-KWAN
Director of Budget and Fiscal Services
City and County of Honolulu