

Chapter 15 - Department of Land Management

The Department of Land Management (DLM) was created with the passage of Charter Amendment 8 during the 2016 General Election. Fiscal Year 2018 is the first year of city funding and position allocations pertinent to its responsibilities to protect, develop, and manage city real property interests. DLM manages and negotiates real property purchase/sale, lease, license, and partnership transactions for the city, with current emphasis on the development of affordable housing solutions.

The department's administration oversees, manages, and provides administrative support for the following divisions:

Asset Management

- Oversees the active management of city owned lands and the city's rental housing portfolio

Asset Development

- Oversees the acquisition and development of affordable housing properties, with emphasis in Transit-Oriented Development (TOD) areas
- Assists other departments in the acquisition of land and land transactions
- Oversees Clean Water and Natural Lands acquisitions and conservation easements

Finance Division

- Oversees the development of commercial leasing options and assists BFS with the development and issuance of private activity bonds



To protect, develop, and manage the city's real property interests.

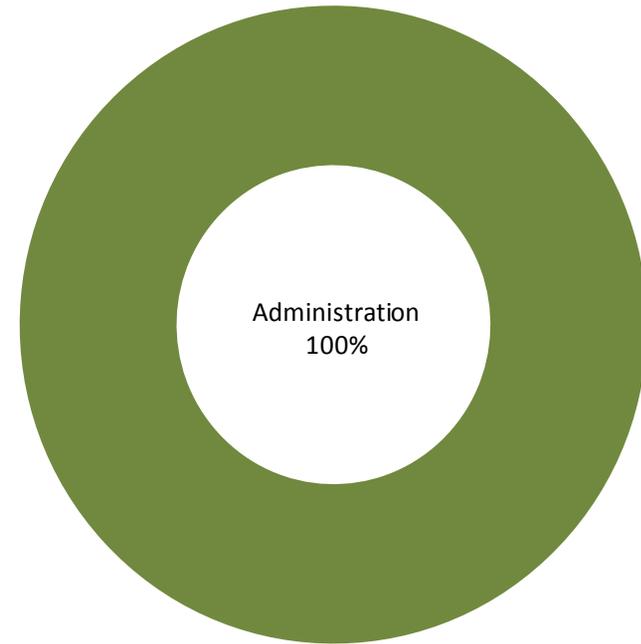
Mission Statement

Spending and Staffing

Fund Sources



Fund Uses



	Total Operating Expenditures (\$ millions)	Total Revenues (\$ millions)	Staffing		Cost Per FTE ¹	Overtime Expenditures ²	
			Total Authorized FTE	Total Vacant FTE		Total	Non-Holiday
FY 2015	---	---	---	---	---	---	---
FY 2016	---	---	---	---	---	---	---
FY 2017	---	---	---	---	---	---	---
FY 2018	\$0.47	\$0.00	22	15	\$66,755	\$0	\$0
FY 2019	\$1.41	\$0.15	18	12	\$78,174	\$1,226	\$1,226
Change from last year	201%	--	-18%	-20%	17%	--	--
Change over last 5 years	--	--	--	--	--	--	--

Source: Department of Budget and Fiscal Services. ¹Cost Per FTE = Total Operating Expenditures/Total Authorized FTE. ²Overtime pay is established bargaining unit agreement, as applicable.

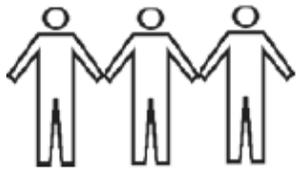
Spending and Staffing



Operating Expenditures

\$1.4 M ▲ 201%

The department attributed the FY 2019 increase over the previous year to initiating multiple affordable housing and Clean Water and Natural Lands (CWNL) development projects and existing projects that were completed.



Vacant FTE

12 FTE ▼ 20%

The FY 2019 decrease over FY 2018 is due to staffing transfers from the city's affordable housing functions to DLM. Staffing also shifted from utilizing temporary contract workers to hiring regular civil service employees.

Wailupe Nature Reserve



Photo courtesy of Department of Land Management

FY 2019 ACCOMPLISHMENTS

- Issued requests for proposals seeking public-private partnerships to build, operate and manage affordable rental projects on city-owned lands on a long term lease basis for properties at the former Aiea Sugar Mill Site (3.44 acres), Kapolei Lots 6 & 7 (10.24 acres), and West Loch (3.7 acres)
- Pursuant to the Clean Water and Natural Lands program, executed a purchase and sale agreement to acquire 9.5 acres for the expansion of the Aina Haina Nature Preserve
- Acquired two transit oriented zone properties, to be developed into housing and a resource center, and the new location of the Sand Island Drug Treatment Center

CHALLENGES MOVING FORWARD — FY 2020

- *With increasing demand for affordable housing and other development projects DLM must utilize all available resources, meet staffing requirements, and develop innovative solutions to project problems*
 - *To improve commercial leasing and to assist BFS with issuance of private activity bonds necessary for the funding of affordable housing projects*

Administration and Finance Division

Administration

The Department of Land Management protects, develops, and manages the city’s real property interests that are not core functions of other city departments, with current priority on developing affordable rental housing solutions for the homeless or those at risk of becoming homeless.

For property under the jurisdiction of other executive agencies, DLM acts in an advisory role to ensure adherence to best practices in land management. DLM develops and implements land management plans, property management plans, and conservation and stewardship plans. For property not under the jurisdiction of other executive agencies, DLM negotiates and reviews real property transactions that affect the city’s inventory. This includes public-private partnership agreements, development agreements, purchase/sale agreements, leases, licenses, concessions, easements, and acquisitions funded by the Clean Water and Natural Lands (CWNL) fund.

Finance Division

The Finance Division, which expects to be operational in FY 2020, will provide financial guidance to other divisions. The Finance Division will oversee commercial leases on city property and coordinate with BFS in the issuance of private activity bonds to finance future affordable housing projects. The division will also provide financing incentives for private development of city property.

Kauhale Kamaile



Photo courtesy of Department of Land Management

	Total Properties Managed	Total Housing Units Managed	Total Properties Planned for Development	Total Affordable Housing Units Initiated for Development	Total Affordable Housing Units Completed
FY 2015	---	---	---	---	---
FY 2016	---	---	---	---	---
FY 2017	---	---	---	---	---
FY 2018	---	---	---	---	---
FY 2019	17	1,265	8	1,042	75
Change from last year	--	--	--	--	--
Change over last 5 years	--	--	--	--	--

Source: Department of Land Management

Asset Development Division

The Asset Development Division (ADD) develops and coordinates use of city real property assets to highest and best use potential and/or for policy implementation, and oversees city office space allocation and space planning. The ADD is also responsible for property acquisitions, land transactions, affordable housing development, development of city-owned TOD properties, and the Clean Water & Natural Lands program.

Asset Management Division

The Asset Management Division's (AMD) responsibilities include: active management of city-owned lands, rental housing portfolio, and maintenance of city-owned real property database.

In FY 2019, AMD managed 1,265 total rental units, of which 1,137 are considered affordable housing.

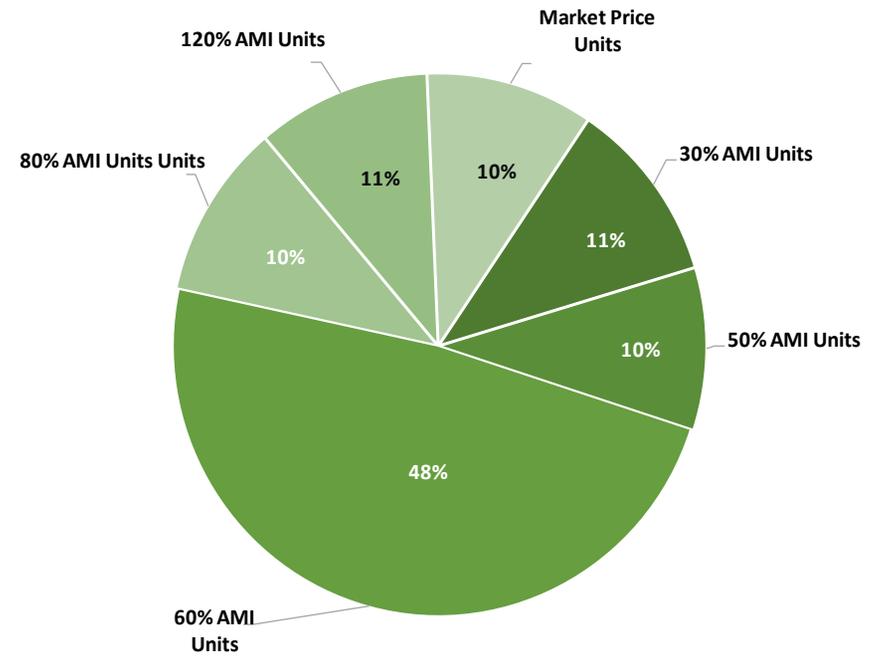
National Community Survey

In 2019, 5% of Honolulu residents surveyed rated availability of quality affordable housing as *excellent or good*, which ranked much lower compared to both the national benchmarks and for communities with population of 300,000 or more residents.



RFP—Aiea Sugar Mill Site Plan
Source: Department of Land Management

Allocation of the City's 1,265 Affordable Housing Units by HUD Income Limits (FY 2019)



2019 Affordable Housing Income Limits and Applicable Annual Salary in Honolulu

Income Limits	Annual Income (Single)	Family of Four (Combined Income)
30% AMI	\$25,320	\$36,150
50% AMI	\$42,200	\$60,250
60% AMI	\$50,640	\$72,300

Source: Department of Land Management and US Department of Housing and Urban Development (HUD). AMI = Area Median Income and Affordable Housing income Limits are set by HUD annually. DLM focuses primarily on 30%-60% AMI Limits.

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