

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

March 15, 2013

**Committee
Report No.** _____

Honorable Chair and Members
of the County Council
County of Maui
Wailuku, Maui, Hawaii

Chair and Members:

Your Budget and Finance Committee, having met on February 26, 2013, makes reference to County Communication 13-57, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2013 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; PARK ASSESSMENT FUNDS, KIHEI-MAKENA COMMUNITY PLAN AREA, SOUTH MAUI COMMUNITY PARK; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)".

The purpose of the proposed bill is to amend the Fiscal Year ("FY") 2013 Budget by (1) decreasing the estimated revenue amount for Special Assessments by \$150,000, from \$3,365,000 to \$3,215,000; and (2) decreasing the appropriation for Parks Assessment Funds in the Kihei-Makena Community Plan Area for the South Maui Community Park by \$150,000, from \$375,000 to \$225,000.

Your Committee notes that pursuant to Section 18.16.320, Maui County Code ("MCC"), a developer must satisfy park dedication requirements at the time of final subdivision approval or when building permits are issued. The park dedication requirements may be satisfied through the provision of land to be used for park and playground purposes, in-lieu payments of money, improvements to parks in the applicable community plan area, or a combination of these options. Park dedication requirements are collectively known as "park assessments".

The Budget Director stated that reducing the Park Assessment revenue and expenditure appropriations in the FY 2013 Budget by \$150,000 will enable the County to refund the developer's park assessment fees that were paid at the time building permits were issued. A refund is appropriate because the developer's building permits have expired and the project will not proceed at this time.

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A Deputy Corporation Counsel advised your Committee that the project is no longer deemed “approved” pursuant to 18.16.320A, MCC, because the developer’s permits have expired. Therefore, the County should refund park assessment fees.

Your Committee questioned the County’s obligation to refund park assessment fees when the County was not at fault for the developer’s expired building permits. Your Committee was concerned that refunding the park assessment fees could set bad precedent. Your Committee urged the Department of the Corporation Counsel to review Section 18.16.320, MCC, and propose legislation that would prevent a similar situation from occurring in the future.

Your Committee voted to convene an executive meeting, closed to the public, to consult with legal counsel on questions and issues pertaining to the powers, duties, privileges, immunities, and liabilities of the County, the Council, and the Committee pursuant to Section 92-5(a)(4), Hawaii Revised Statutes.

Following the executive meeting, your Committee reconvened in regular session.

Your Committee voted 7-0 to recommend passage of the revised proposed bill on first reading, and filing of the communication. Committee Chair White, Vice-Chair Hokama, and members Cochran, Couch, Crivello, Guzman, and Victorino voted “aye”. Committee members Baisa and Carroll was excused.

Your Committee is in receipt of a revised proposed bill, approved as to form and legality by the Department of the Corporation Counsel, incorporating nonsubstantive revisions that take into account prior amendments to the Fiscal Year 2013 Budget.

Your Budget and Finance Committee **RECOMMENDS** the following:

1. That Bill _____ (2013), as revised herein and attached hereto, entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2013 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; PARK ASSESSMENT FUNDS, KIHEI-MAKENA COMMUNITY PLAN AREA, SOUTH MAUI COMMUNITY PARK; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)”, be PASSED ON FIRST READING and be ORDERED TO PRINT; and

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2. That County Communication 13-57 be FILED.

This report is submitted in accordance with Rule 8 of the Rules of the Council.



MIKE WHITE, Chair

bf:cr:13034aa:skk

ORDINANCE NO. _____

BILL NO. _____ (2013)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2013 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO ESTIMATED REVENUES;
PARK ASSESSMENT FUNDS, KIHEI-MAKENA COMMUNITY PLAN AREA,
SOUTH MAUI COMMUNITY PARK;
TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND
TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)

BE IT ORDAINED BY THE PEOPLE OF THE COUNTY OF MAUI:

SECTION 1. Ordinance No. 3957, Bill No. 49 (2012), Draft 1, as amended, "Fiscal Year 2013 Budget", is hereby amended as it pertains to Section 2, Estimated Revenues, by decreasing Special Assessments Fund in the amount of \$150,000; and by decreasing Total Estimated Revenues in the amount of \$150,000, to read as follows:

"ESTIMATED REVENUES"

FROM TAXES, FEES AND ASSESSMENTS:

Real Property Taxes		213,823,942
Circuit Breaker Adjustment		(1,007,718)
Charges for Current Services		110,726,217
Transient Accommodations Tax		19,000,000
Public Service Company Tax		7,980,000
Licenses/Permits/Others		27,796,963
Fuel and Franchise Taxes		20,000,000
Special Assessments	[3,365,000]	<u>3,215,000</u>
Other Intergovernmental		24,495,000

FROM OTHER SOURCES:

Interfund Transfers		35,270,493
Bond/Lapsed Bond		27,095,000
Carryover/Savings:		
General Fund		35,797,260
Sewer Fund		7,640,783
Highway Fund		16,448,825
Solid Waste Management Fund		3,786,366
Golf Fund		(3,271)
Liquor Fund		740,745
Bikeway Fund		160,398
Water Fund		<u>7,485,249</u>

TOTAL ESTIMATED REVENUES [560,601,252] 560,451,252"

SECTION 2. Ordinance No. 3957, Bill No. 49 (2012), Draft 1, as amended, "Fiscal Year 2013 Budget", is hereby amended as it pertains to Section 4.F.2., Park Assessment Funds, by decreasing the appropriation for the South Maui Community Park, in the amount of \$150,000 under the Kihei-Makena Community Plan Area, to read as follows:

- "F. Park Assessment Funds
 - 2. Kihei-Makena Community Plan Area
 - a. Parks and Recreation
 - (1) South Maui Community Park [375,000] 225,000"

SECTION 3. The Total Capital Improvement Project Appropriations is amended to reflect an decrease of \$150,000, to read as follows:

"TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS [97,334,659] 97,184,659"

SECTION 4. The Total Appropriations (Operating and Capital Improvement Projects) is amended to reflect an increase of \$150,000, to read as follows:

"TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS) [560,601,252] 560,451,252"

SECTION 5. Material to be repealed is bracketed. New material is underscored.

SECTION 6. This Ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



JEFFREY UEOKA
Deputy Corporation Counsel

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