

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

November 6, 2015

**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 October 13, 2015, makes reference to County Communication 15-164, from Councilmember Riki Hokama, relating to amendments to the Fiscal Year ("FY") 2016 Budget.

By correspondence dated September 25, 2015, the Budget Director transmitted a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2016 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO THE OFFICE OF THE MAYOR, ECONOMIC DEVELOPMENT PROGRAM, DEPARTMENT OF PLANNING, ADMINISTRATION AND PLANNING PROGRAM."

The purpose of the proposed bill is to amend the FY 2016 Budget by (1) decreasing the appropriation for the Office of the Mayor, Economic Development Program, Grants and disbursements for business development and technology, Small Business Promotion, by \$25,000, from \$190,000 to \$165,000; (2) increasing the appropriation for the Department of Planning, Administration and Planning Program, Maui Redevelopment Agency, by \$25,000, from \$250,000 to \$275,000; and (3) amending Appendix C to incorporate the changes in (1) and (2). The funds are for Wailuku First Friday events ("Events").

At the request of the Chair of your Committee, the Budget Director transmitted a revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2016 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO THE OFFICE OF THE MAYOR, ECONOMIC DEVELOPMENT PROGRAM, DEPARTMENT OF PLANNING, ADMINISTRATION AND PLANNING PROGRAM (WAILUKU FIRST FRIDAY EVENTS)," approved as to form and legality, incorporating revisions to the bill's title and inserting a proviso under the Maui Redevelopment Agency

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

Page 2

**Committee
Report No.** _____

to clarify that the appropriation is for Wailuku First Friday events, and incorporating other nonsubstantive revisions.

The Budget Director informed your Committee the Events are supported by a \$25,000 grant from the County and a \$20,000 grant through the Hawaii Tourism Authority's County Product Enrichment Program ("CPEP").

The County's grant for the Events is appropriated in the FY 2016 Budget under the Office of Economic Development, which is the same agency that oversees CPEP grants for the County. Pursuant to the CPEP's rules, the Events are now ineligible to receive the CPEP grant because the agency overseeing the CPEP grant is already providing funding for the Events.

The Office of Economic Development is requesting the County's grant for the Events be transferred to the Maui Redevelopment Agency under the Department of Planning to restore the eligibility of the Events to receive the CPEP grant.

The Budget Director noted the County's grant for the Events has traditionally been appropriated under the Maui Redevelopment Agency and was moved to the Office of Economic Development in the FY 2016 Budget.

The Deputy Planning Director noted the Department of Planning is supportive of administering the County's grant to ensure the Events can continue.

Your Committee voted 9-0 to recommend passage of the revised proposed bill on first reading. Committee Chair Hokama, Vice-Chair White, and members Baisa, Carroll, Cochran, Couch, Crivello, Guzman, and Victorino voted "aye."

Your Committee is in receipt of a further revised proposed bill, approved as to form and legality by the Department of the Corporation

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

Page 3

Committee
Report No. _____

Counsel, incorporating nonsubstantive revisions that take into account prior amendments to the FY 2016 Budget.

Your Budget and Finance Committee RECOMMENDS that Bill _____ (2015), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2016 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO THE OFFICE OF THE MAYOR, ECONOMIC DEVELOPMENT PROGRAM, DEPARTMENT OF PLANNING, ADMINISTRATION AND PLANNING PROGRAM (WAILUKU FIRST FRIDAY EVENTS)," be PASSED ON FIRST READING and be ORDERED TO PRINT.

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

Page 4

**Committee
Report No.** _____

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



RIKI HOKAMA, Chair

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ORDINANCE NO. _____

BILL NO. _____ (2015)

A BILL FOR AN ORDINANCE AMENDING
THE FISCAL YEAR 2016 BUDGET FOR THE COUNTY OF MAUI
AS IT PERTAINS TO THE OFFICE OF THE MAYOR,
ECONOMIC DEVELOPMENT PROGRAM,
DEPARTMENT OF PLANNING, ADMINISTRATION
AND PLANNING PROGRAM (WAILUKU FIRST FRIDAY EVENTS)

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

SECTION 1. Ordinance No. 4231, Bill No. 38 (2015), Draft 1, as amended, "Fiscal Year 2016 Budget", is hereby amended as it pertains to Section 3.B.9.c.(3)., Office of the Mayor, Economic Development Program, Grants and disbursements for business development and technology, by decreasing the appropriation for Small Business Promotion by \$25,000, to read as follows:

"9. Office of the Mayor

c. Economic Development Program

(3) Grants and disbursements for business development and technology

(i)	Business Research Library	72,100
(ii)	East Maui Cultural/Economic Development	100,000
	(1) Provided, that \$8,150 shall be for Hana Canoe Club.	
(iii)	Friends of Old Maui High School	82,400
(iv)	Haiku-Makawao-Paia Economic Development & Cultural Programs	120,000
(v)	Hana Arts	20,000
(vi)	Ka Ipu Kukui Fellows Leadership	25,750
	(1) Provided, that funds shall be made available to encourage participation from Molokai and Lanai.	
(vii)	Lanai Economic Development and Cultural Programs	120,000
	(1) Provided, that \$50,000 shall be for Lanai Changes: Community Economic Development and Nonprofit Hui.	
(viii)	Ma Ka Hana Ka Ike Building Program	90,000
(ix)	Maui Economic Development Board, Inc.	730,000
	(1) Provided, that \$200,000 shall be for new business generation and new job creation.	
	(2) Provided, that \$10,000 shall be for technology programs for Molokai schools.	
(x)	Maui Economic Development Board, Inc., for Maui High School Program Model	45,000
(xi)	Maui Economic Opportunity, Inc., for Microenterprise Program	245,000
	(1) Provided, that funds shall be made available to provide a full-time position for a Molokai Loan Fund Manager.	

(xii)	Molokai Economic Development and Cultural Programs		120,000
(1)	Provided, that disbursements shall include, but are not limited to, Molokai Ka Hula Piko, Ka Molokai Makahiki, Na Wahine O Ke Kai, Molokai Ocean Fest, and Molokai 4-H Program.		
(xiii)	Small Business Promotion	[190,000]	<u>165,000</u>

SECTION 2. Fiscal Year 2016 Budget is hereby amended as it pertains to Section 3.B.12.a., Department of Planning, Administration and Planning Program, by increasing the appropriation for the Maui Redevelopment Agency by \$25,000, to read as follows:

"12. Department of Planning			
a. Administration and Planning Program			
(1)	General		5,034,144
(i)	Provided, that disbursement for salaries and premium pay is limited to 62.0 equivalent personnel.		
(ii)	Provided, that no funds are expended for erosion mitigation studies at Kahana Bay unless one-to-one matching funds are received.		
(2)	Cultural Resource Management Historic American Buildings Survey/Historic American Engineering Record (HABS/HAER)		25,000
(3)	Grant to University of Hawaii Maui College Sea Grant		88,975
(4)	Maui Redevelopment Agency	[250,000]	<u>275,000</u>
(i)	<u>Provided, that \$25,000 shall be for Wailuku First Friday events.</u>		

SECTION 3. Fiscal Year 2016 Budget is hereby amended as it pertains to Appendix C, A,B,C Categories (Referenced in Section 7), Functions and Programs, Office of the Mayor, Grants and disbursements for business development and technology, by decreasing Category B and the Total appropriation for Small Business Promotion by \$25,000, to read as follows:

"APPENDIX C A,B,C CATEGORIES (REFERENCED IN SECTION 7)				
I. FUNCTIONS AND PROGRAMS				
Office of the Mayor	A	B	C	Total
Grants and disbursements for business development and technology				
Business Research Library	\$ -	\$ 72,100	\$ -	\$ 72,100
East Maui Cultural/Economic Development	\$ -	\$ 100,000	\$ -	\$ 100,000
Friends of Old Maui High School	\$ -	\$ 82,400	\$ -	\$ 82,400
Haiku-Makawao-Paia Economic Development & Cultural Programs	\$ -	\$ 120,000	\$ -	\$ 120,000
Hana Arts	\$ -	\$ 20,000	\$ -	\$ 20,000
Ka Ipu Kukui Fellows Leadership	\$ -	\$ 25,750	\$ -	\$ 25,750
Lanai Economic Development and Cultural Programs	\$ -	\$ 120,000	\$ -	\$ 120,000
Ma Ka Hana Ka Ike Building Program	\$ -	\$ 90,000	\$ -	\$ 90,000
Maui Economic Development Board, Inc.	\$ -	\$ 730,000	\$ -	\$ 730,000

Maui Economic Development Board, Inc., for Maui High School Program Model	\$ -	\$ 45,000	\$ -	\$ 45,000
Maui Economic Opportunity, Inc., for Microenterprise Program	\$ -	\$ 245,000	\$ -	\$ 245,000
Molokai Economic Development and Cultural Programs	\$ -	\$ 120,000	\$ -	\$ 120,000
Small Business Promotion	\$ -	[\$190,000] \$165,000	\$ -	[\$190,000] \$165,000"

SECTION 4. Fiscal Year 2016 Budget is hereby amended as it pertains to Appendix C, A,B,C Categories (Referenced in Section 7), Functions and Programs, Department of Planning, by increasing Category B and the Total appropriation for Maui Redevelopment Agency by \$25,000, to read as follows:

"APPENDIX C A,B,C CATEGORIES (REFERENCED IN SECTION 7)				
I. FUNCTIONS AND PROGRAMS				
Department of Planning	A	B	C	Total
Administration and Planning Program	\$ 3,737,777	\$ 1,264,913	\$ 31,454	\$ 5,034,144
Cultural Resource Management Historic American Buildings Survey/Historic American Engineering Record (HABS/HAER)	\$ -	\$ 25,000	\$ -	\$ 25,000
Grant to University of Hawaii Maui College Sea Grant	\$ -	\$ 88,975	\$ -	\$ 88,975
Maui Redevelopment Agency	\$ -	[\$250,000] \$275,000	\$ -	[\$250,000] \$275,000"

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