

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

November 7, 2008

**Committee
Report No.**

08-136

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, 2008, makes reference to County Communication No. 08-219, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2009 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX A, PART II, SPECIAL PURPOSE REVENUES – SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2009, OPEN SPACE, NATURAL RESOURCES, CULTURAL RESOURCES, AND SCENIC VIEWS PRESERVATION FUND".

The purpose of the proposed bill is to amend the Fiscal Year (FY) 2009 Budget by clarifying that appropriations from the Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund (Open Space Fund) shall be by grants and disbursements, which would in turn allow the County to grant monies from the Open Space Fund to nonprofit entities such as the Maui Coastal Land Trust and Molokai Land Trust for the purpose of acquiring land.

Your Committee notes that, pursuant to Section 9-19, Revised Charter of the County of Maui (1983), as amended, the Council shall appropriate a minimum of 1 percent of the certified real property tax revenues to the Open Space Fund for the acquisition of lands in order to preserve and protect public access to, and enjoyment of, public land, open space, and recreational facilities.

At its meeting, your Committee met with the Budget Director, Office of the Mayor; an Executive Assistant, Office of the Mayor; the Director of Finance; and the First Deputy Corporation Counsel.

Your Committee received public testimony from two individuals. Dale Bonar, Executive Director, Maui Coastal Land Trust; and Butch Haase, Executive Director, Molokai Land Trust, both testified in favor of the proposed amendment, to allow the County to grant monies from the Open Space Fund to nonprofit entities for the purpose of acquiring the Nu`u Lands and Wetlands on Maui, and the Kawaikapu Ranch on Molokai,

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respectively. Your Committee also received written testimony from Mr. Bonar in support of the proposed amendment.

The Director of Finance stated that the proposed amendment allows for grants and disbursements to be made from the Open Space Fund for land acquisitions. He explained that, in this case, the land acquisitions were intended to be made by grants, and the proposed amendment details a more accurate accounting of the funds.

Your Committee inquired about the provisions that are in place to ensure that the County's interests are protected.

The Executive Assistant stated that boilerplate contractual language is in place that would allow the subject properties and the funding appropriated by the County to be returned, should the properties not be used in a manner that is in keeping with the purpose of the Open Space Fund.

Your Committee voted to recommend passage of the proposed bill and filing of the communication.

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

1. That Bill No. _____ (2008), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2009 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO APPENDIX A, PART II, SPECIAL PURPOSE REVENUES – SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2009, OPEN SPACE, NATURAL RESOURCES, CULTURAL RESOURCES, AND SCENIC VIEWS PRESERVATION FUND", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication No. 08-219 be FILED.

Adoption of this report is respectfully requested.

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ORDINANCE NO. _____

BILL NO. _____ (2008)

A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2009 BUDGET
FOR THE COUNTY OF MAUI AS IT PERTAINS TO
APPENDIX A, PART II, SPECIAL PURPOSE REVENUES -
SCHEDULE OF REVOLVING/SPECIAL FUNDS FOR FISCAL YEAR 2009,
OPEN SPACE, NATURAL RESOURCES, CULTURAL RESOURCES, AND
SCENIC VIEWS PRESERVATION FUND

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

SECTION 1. Ordinance No. 3573, Bill No. 55 (2008), as amended, "Fiscal Year 2009 Budget", Appendix A, Part II, "Special Purpose Revenues - Schedule of Revolving/Special Funds for Fiscal Year 2009", is hereby amended as it pertains to M. Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund (Section 9-19, Revised Charter of the County of Maui, (1983), as amended; Chapter 3.88, Maui County Code) by revising items (2) through (4), to read as follows:

"II. SPECIAL PURPOSE REVENUES - SCHEDULE OF REVOLVING/ SPECIAL FUNDS
FOR FISCAL YEAR 2009

	ESTIMATED BALANCE <u>AS OF 6/30/08</u>	ANTICIPATED REVENUES <u>FOR FY 2009</u>	TOTAL <u>FOR FY 2009</u>
M. Open Space, Natural Resources, Cultural Resources, and Scenic Views Preservation Fund (Section 9-19, Revised Charter of the County of Maui, (1983), as amended; Chapter 3.88, Maui County Code)	4,253,045	2,205,511	6,458,556
(1) Land Acquisition Subject to Chapter 3.88, Maui County Code, for Morris Point (also known as Murphy's beach, Kumimi Beach), Molokai, TMK No. 5-8-001:001 totaling approximately 7.42 acres in the amount of \$700,000.			
(2) <u>Grants and Disbursements for</u> Land Acquisition Subject to Chapter 3.88, Maui County Code, for Kawaikapu Ranch, Molokai, TMK No. (2) 5-7-005:021 totaling approximately 196 acres in the amount of \$480,000.			
(3) <u>Grants and Disbursements for</u> Land Acquisition Subject to Chapter 3.88, Maui County Code, for Nu'u Lands and Wetlands, Maui, portions of TMK No. (2) 1-8-001:001 totaling approximately 78 acres in the amount of \$220,776.			
(4) <u>Grants and Disbursements for</u> Land Acquisition Subject to Chapter 3.88, Maui County Code, for Keanae Taro Lo'i, Maui, TMK Nos. (2) 1-1-03:041 and (2) 1-1-03:065 totaling approximately 6.3 acres in the amount of \$350,000.			

ESTIMATED BALANCE <u>AS OF 6/30/08</u>	ANTICIPATED REVENUES <u>FOR FY 2009</u>	TOTAL <u>FOR FY 2009</u>
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(5) A grant for Land Acquisition subject to Chapter 3.88, Maui County Code, for Lipoa Point, Honolua, Maui, Hawaii including portions of TMK Nos. (2) 4-1-01:010, (2) 4-2-04:032, and (2) 4-2-01:009, totaling approximately 583.4 acres in the amount of \$1,000,000."

SECTION 2. New material is underscored.

SECTION 3. This ordinance shall take effect upon its approval.

APPROVED AS TO FORM AND LEGALITY:



 TRACI FUJITA VILLAROSA
 First Deputy Corporation Counsel

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