

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

February 6, 2004

Committee
Report No.

04-9

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 January 13, 2004, makes reference to County Communication No. 03-302, from the Budget Director, transmitting the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, CAPITAL IMPROVEMENT PROJECTS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)" (budget bill).

The purpose of the proposed bill is: (1) to appropriate funds for the purchase of the Nishida property, located at 897 Makawao Avenue in Makawao, TMK: (2) 2-4-006:004, by amending the Estimated Revenues by increasing Special Assessments by \$80,000, Bond/Lapsed Bond by \$400,000, and Total Estimated Revenues by \$480,000; and (2) to add appropriations in the Capital Improvement Project appropriation for the Makawao-Paia Community Plan District in the amount of \$400,000 from the Bond Fund and \$80,000 from the Park Assessment Fund for the purchase of the Nishida Property.

2. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3123, BILL NO. 15 (2003), AS AMENDED, RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI" (bond bill).

The purpose of the proposed bill is to increase the general obligation bond authorization by \$400,000 for the purchase of the Nishida Property, TMK: (2) 2-4-006:004, in the

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Makawao-Haiku-Paia Community Plan District, for a total bond principal amount not to exceed \$22,434,592.

At its meeting, your Committee met with the Budget Director, the Director of Parks and Recreation, the Senior Executive Assistant to the Mayor, and the First Deputy Corporation Counsel.

There was no public testimony.

Your Committee received the following documents from the Budget Director:

1. A revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, CAPITAL IMPROVEMENT PROJECTS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)" (budget bill).

The revised proposed bill incorporates housekeeping changes because of pending budget amendments, and changes the year from "2003" to "2004".

2. A revised proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3123, BILL NO. 15 (2003), AS AMENDED, RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI" (bond bill).

The revised proposed bill incorporates housekeeping changes because of pending budget amendments, and changes the year from "2003" to "2004".

3. A document entitled "CERTIFICATION OF ADDITIONAL REVENUES FOR FISCAL YEAR 2004".

The document certifies that \$80,000 is available for appropriation from the Makawao/Pukalani/Kula Parks Assessment.

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Your Committee notes that your Government Relations Committee has recommended for approval a proposed resolution entitled "APPROVING THE ACQUISITION OF PROPERTY AT MAKAWAO, HAWAII, FROM ROBERT Y. AND TSUGIKO NISHIDA TRUST FOR THE COUNTY OF MAUI". The purpose of the proposed resolution is to approve the acquisition of approximately 2.07 acres of property located at 897 Makawao Avenue in Makawao, identified as TMK: (2) 2-4-006:004, for approximately \$476,000 for expansion of parking for Eddie Tam Memorial Center. The resolution is scheduled for the Council meeting of February 6, 2004.

The Senior Executive Assistant to the Mayor noted that the prior Administration supported the proposed acquisition. The current Administration put the project on hold, but revived the proposal due to strong community support.

He stated that the Nishida's would like the County to acquire the property, and agreed to extend the purchase agreement until February 17, 2004 to enable the Administration to submit an amendment to the Fiscal Year 2004 budget to appropriate funds to purchase the property. He further noted that the Nishida's realtor, Nelson Boteilho, indicated that the closing date of February 17 is flexible in order to provide additional time for the second reading of the proposed bill.

Your Committee notes that the \$4,000 difference between the budget appropriation of \$480,000 and the purchase price of \$476,000 is to provide for closing costs related to the purchase.

Since schools within the district use the property for parking during school events, your Committee authorized its Chair to forward a letter to the Mayor requesting that the Administration seek the State's financial support for improvements to the property.

Your Committee voted to recommend passage of the revised proposed budget bill and the revised proposed bond bill on first reading, and filing of the communication.

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Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. _____ (2004), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES, CAPITAL IMPROVEMENT PROJECTS, AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)", be PASSED ON FIRST READING and be ORDERED TO PRINT;
2. That Bill No. _____ (2004), as revised herein and attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 3123, BILL NO. 15 (2003), AS AMENDED, RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
3. That County Communication No. 03-302 be FILED.

Adoption of this report is respectfully requested.

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G. RIKI HOKAMA **Chair**

DANNY A. MATEO **Member**

WAYNE K. NISHIKI **Vice-Chair**

MICHAEL J. MOLINA **Member**

ROBERT CARROLL **Member**

JOSEPH PONTANILLA **Member**

JO ANNE JOHNSON **Member**

CHARMAINE TAVARES **Member**

DAIN P. KANE **Member**