

COUNCIL OF THE COUNTY OF MAUI

BUDGET AND FINANCE COMMITTEE

June 4, 2004

Committee
Report No.

04-81

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 May 12, 2004, makes reference to County Communication No. 04-102, from the Budget Director, transmitting a proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING APPENDIX A OF THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO PART II. SPECIAL PURPOSE REVENUES".

The purpose of the proposed bill is to amend Appendix A as it pertains to Part II. "Special Purpose Revenues – Schedule of Revolving Special Funds for Fiscal Year 2004" by adding an appropriation for the Open Space, Natural Resources, Cultural Resources and Scenic Views Preservation Fund (Open Space Fund) in the amount of \$1,166,972, and an appropriation for a grant to the Maui Coastal Land Trust (MCLT) in the amount of \$810,523. The grant to the MCLT is for the acquisition of the Waihe'e Preserve (also known as the Old Waihe'e Dairy site), Tax Map Key Nos. (2) 3-2-10:1, (2) 3-2-10:2 and (2) 3-2-13:10.

Your Committee notes that the Budget and Finance Committee previously recommended approval of a proposed bill to appropriate a \$1 million grant to the MCLT for the acquisition of the Old Waihe'e Dairy site through Budget and Finance Committee Report No. 03-98. At its meeting of September 19, 2003, the Council adopted Committee Report No. 03-98. Your Committee further notes that it was anticipated that the MCLT would apply for an additional \$1 million from the Open Space Fund.

At its meeting, your Committee met with the Budget Director, Dale Bonar, Executive Director of the MCLT, and the First Deputy Corporation Counsel.

Your Committee received written and oral testimony from Mr. Bonar, who stated that the MCLT received an unanticipated \$1 million grant from the National Oceanic and Atmospheric Administration (NOAA) through assistance from

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Senator Daniel K. Inouye's office. As a result of the NOAA grant, the MCLT is reducing its original request from \$1 million to \$810,523.

Mr. Bonar informed your Committee that the Old Waihe'e Dairy site was appraised for more than \$10 million, and is being sold for \$4.8 million. The acquisition will be paid as follows: \$1 million from the County of Maui grant; \$1 million from the United States Department of the Interior, Fish and Wildlife Service (USFWS) Coastal Wetlands Acquisition Program; \$1 million from the USFWS Endangered Species Act; \$1 million from NOAA; and \$810,523 from the County of Maui Open Space Fund. He said the closing would occur by the end of July 2004.

Your Committee requested a copy of the appraisal performed by The Hallstrom Group, Inc., as of February 2004.

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

Your Budget and Finance Committee RECOMMENDS the following:

1. That Bill No. _____ (2004), attached hereto, entitled "A BILL FOR AN ORDINANCE AMENDING APPENDIX A OF THE FISCAL YEAR 2004 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO PART II. SPECIAL PURPOSE REVENUES", be PASSED ON FIRST READING and be ORDERED TO PRINT; and
2. That County Communication No. 04-102 be FILED.

Adoption of this report is respectfully requested.

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