

COUNCIL OF THE COUNTY OF MAUI
BUDGET AND FINANCE COMMITTEE

July 15, 2016

**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 January 26, 2016, and June 28, 2016, makes reference to County Communication 15-164, from Councilmember Riki Hokama, relating to amendments to the Fiscal Year 2016 Budget.

By correspondence dated November 25, 2015, the Budget Director transmitted the following:

1. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2016 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF HOUSING AND HUMAN CONCERNS, HUMAN CONCERNS PROGRAM, (MAUI FAMILY LIFE CENTER, KA HALE A KE OLA); TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS)."

The purpose of the proposed bill is to amend the FY 2016 Budget by 1) increasing Carryover/Savings from the General Fund by \$1,134,000; and 2) appropriating \$378,000 to Maui Family Life Center and \$756,000 to Ka Hale A Ke Ola, under the Department of Housing and Human Concerns, Human Concerns Program, for site preparation, operation, and animal sheltering services related to a proposed capital improvement project involving the acquisition of 12 Spacemax shelter units to be used as temporary shelters for homeless individuals in Central and West Maui.

2. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2016 BUDGET FOR THE

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COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; DEPARTMENT OF HOUSING AND HUMAN CONCERNS, HUMAN CONCERNS PROGRAM; TOTAL OPERATING APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS).”

The purpose of the proposed bill is to amend the FY 2016 Budget by 1) increasing Carryover/Savings from the General Fund by \$121,582; and 2) increasing the appropriation by \$121,582 and equivalent personnel by 3.0 for the Department of Housing and Human Concerns, Human Concerns Program, General, to establish a Homeless Programs Division to facilitate the development, administration, and coordination of the County’s homeless programs.

3. A Certification of Additional Revenues for FY 2016, dated November 25, 2015, for \$1,255,582 in Carryover/Savings from the General Fund to fund the proposed appropriations, as noted in paragraphs 1 and 2 above.

4. A proposed bill entitled “A BILL FOR AN ORDINANCE AMENDING THE FISCAL YEAR 2016 BUDGET FOR THE COUNTY OF MAUI AS IT PERTAINS TO ESTIMATED REVENUES; COUNTYWIDE, OTHER PROJECTS, ACQUISITION OF SPACEMAX SHELTERS; TOTAL CAPITAL IMPROVEMENT PROJECT APPROPRIATIONS; AND TOTAL APPROPRIATIONS (OPERATING AND CAPITAL IMPROVEMENT PROJECTS).”

The purpose of the proposed bill is to amend the FY 2016 Budget by 1) increasing Bond/Lapsed Bond Fund revenues by \$660,000; and 2) appropriating \$660,000 from the Bond Fund, Countywide, Other Projects, for a capital improvement project involving the acquisition of 12 Spacemax shelters to be used as temporary shelters for homeless individuals. The shelters will be utilized by non-profit agencies, Maui Family

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Life Center and Ka Hale A Ke Ola, at their homeless shelter locations in Central and West Maui.

5. A proposed bill entitled "A BILL FOR AN ORDINANCE AMENDING ORDINANCE NO. 4228, BILL NO. 35 (2015) RELATING TO THE ISSUANCE OF GENERAL OBLIGATION BONDS OF THE COUNTY OF MAUI (ACQUISITION OF SPACEMAX SHELTERS)."

The purpose of the proposed bill is to amend the FY 2016 general obligation bond authorization ordinance by adding a \$660,000 appropriation for Countywide, Other Projects, for the acquisition of Spacemax shelters.

Your Committee noted the Mayor certified \$1,134,000 in Carryover/Savings from the General Fund to fund homeless programs, and \$121,582 in Carryover/Savings from the General Fund for a Homeless Programs Division. Despite the importance of homeless shelters and programs, the funds were later reallocated to address the Department of Fire and Public Safety's budgetary shortfall for FY 2016, to pay for salaries and premium pay.

Your Committee further noted the matter of homelessness in Maui County is being considered by multiple committees of the Council. County Communication 15-296, from the Mayor, transmitted five proposed bills relating to homeless matters. The proposed bills were referred to the Policy and Intergovernmental Affairs Committee on December 4, 2015.

The Deputy Director of Housing and Human Concerns said the Department understands the need for housing and affordable rentals in our County to reduce homelessness. The Department is looking at several low-cost housing options including tiny homes, micro units, and transforming shipping containers into housing units. However, the availability of land for these units will continue to be a challenge.

Your Committee noted the Governor signed an emergency proclamation on homelessness on October 16, 2015 that enables the State

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to facilitate: 1) the rapid construction of temporary shelters for homeless families; 2) the extension of existing contracts for homeless services; and 3) an increase in funding for programs that promote immediate housing for homeless individuals. The Governor recently signed a fifth supplemental proclamation on June 21, 2016, providing an additional 60 days for the State to collaborate with the counties on coordinated efforts to address the homelessness issue.

Your Committee was disappointed the Governor did not place more funds in the counties' hands to fund homeless projects.

The Budget Director said the FY 2016 Budget amendment was to acquire temporary shelters during the initial proclamation period so zoning and permit requirements could be waived.

He said the Administration intends to submit a FY 2017 Budget amendment to fund site preparation, operation, and animal sheltering services related to a proposed project involving the acquisition of Spacemax shelters. The request will be for 18 units instead of the 12 envisioned in the proposed FY 2016 Budget amendment, because the sites in Central and West Maui are able to accommodate more units.

Your Committee recognized homelessness is a growing epidemic and acknowledged supportive efforts made by the Council in past years. The Council appropriated \$641,000 each year in FYs 2015 and 2016 for homeless programs. Over \$1 million was appropriated for homeless programs and funding for two homeless specialist positions in the Department of Housing and Human Concerns in FY 2017, coupled with another \$4 million plus for social service agencies to assist individuals and families in need. Your Committee acknowledged affordable housing and affordable rentals are additional topics warranting further discussion as they directly relate to addressing homelessness.

Your Committee noted its appreciation of the efforts made by the Department and many social service agencies in addressing homelessness issues throughout the County.

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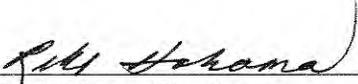
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Your Committee voted 6-0 to recommend filing of the correspondence. Committee Chair Hokama, Vice-Chair White, and members Baisa, Carroll, Couch, and Victorino voted "aye." Committee members Cochran, Crivello, and Guzman were excused.

Your Budget and Finance Committee RECOMMENDS that correspondence dated November 25, 2015, from the Budget Director, be FILED.

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



RIKI HOKAMA, Chair

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