

ALAN M. ARAKAWA  
Mayor

WILLIAM R. SPENCE  
Director

MICHELE CHOUTEAU McLEAN  
Deputy Director



COUNTY OF MAUI  
**DEPARTMENT OF PLANNING**

April 25, 2017

*W*  
Ms. Lynn A.S. Araki-Regan  
Budget Director, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

Honorable Alan M. Arakawa  
Mayor, County of Maui  
200 South High Street  
Wailuku, Hawaii 96793

APPROVED FOR TRANSMITTAL  
*Alan M. Arakawa* 4/26/17  
Mayor Date

For Transmittal to:

Honorable G. Riki Hokama  
Chair, Budget and Finance Committee  
Maui County Council  
200 South High Street  
Wailuku, Hawaii 96793

Dear Chair Hokama and Committee Members:

**SUBJECT: FISCAL YEAR ("FY") 2018 BUDGET (PL-4) (BF-1)**

Thank you for taking the time to review the Planning Department's proposed FY18 budget. This letter provides information that we were not able to give to your Committee at your April 20, 2017 meeting.

1. Propose a new performance measure relating to compliance with Special Management Area permits.

Response: We suggest that "# of final compliance reports for Special Management Area major permits reviewed and accepted" could be added as the last performance measure listed under Goal #1, Objective 2 (after "# of Special Management Area major permits approved"). The FY18 estimate is six.

2. Describe how the Real Property Assessment Division (RPA) receives notification of land use changes or entitlements that could impact their assessments or classifications.

Response: the Planning Department sends RPA a copy of all approval letters for Bed and Breakfast and Short Term Rental Home permits (B&Bs and STRHs), since these permits have specific zoning code requirements relating to property

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tax treatment; this is the only type of permit approval that includes direct notification to RPA.

Because changes in zoning and other land use entitlements are legislative acts by the Council, the Planning Department does not receive direct notification of approvals. We track these through final Council approval and then through the County website to find the final ordinance number.

However, there are other land use approvals and decisions that the Planning Department processes that could impact RPA's classifications and assessments, such as special use permits and determinations of lawful nonconformities (grandfathering). The Planning Department will work to ensure that notifications of such approvals and decisions are consistently provided to RPA.

3. Confirm the number of office suites and total square footage of office space that the Planning Department occupies in One Main Plaza, and provide the difference in rent with the renegotiated leases.

Response: the Department occupies eight offices with a total square footage of 12,783 square feet. The current monthly rent is \$2.40/square foot, or \$368,150 per year. We believe that the common area maintenance (CAM) is \$1.40/square foot, or \$214,754 per year, for a total of rent plus CAM of \$582,904 per year. The proposed budget for FY18 of \$621,000 included an anticipated five percent increase in CAM, but this amount shows an increase of eight percent.

The proposed new monthly rent would be \$1.75/square foot, or \$268,443 per year; the CAM, with a five percent increase, would be \$225,492 per year, for a total of rent plus CAM of \$493,935 per year. ***This should be confirmed with the Department of Finance.*** If this new rent is finalized for all of FY18, it would result in a reduction of \$127,065 from the Department's proposed FY18 budget for 909010B 6235.

4. Provide information on how the budget of the University of Hawaii – Sea Grant program is spent.

Response: Attached please find two pie charts provided by Sea Grant that shows their revenues ("How?") and expenditures ("Funding / Programmatic Distribution") over two sample five-year periods. Federal Core Funding is the federal grant, through the National Oceanic and Atmospheric Administration, that supports the Sea Grant program in Hawaii. Federal Extramural Funding is from other federal sources, including grants. The bulk of Sea Grant's activities (programmatic distribution) are executed by Sea Grant faculty and staff. They have the equivalent of seven faculty and staff that are permanent and funded by the University of Hawaii, and as many as 35 additional faculty and staff that are


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supported by all sources of outside funding; these positions are temporary with annual renewal based on performance and funding availability, including our Maui Extension Agent.

We hope that this letter satisfactorily provides the information that you requested. If you have any questions or require further information, please feel free to contact me.

Sincerely,



 WILLIAM SPENCE  
Planning Director

Attachment

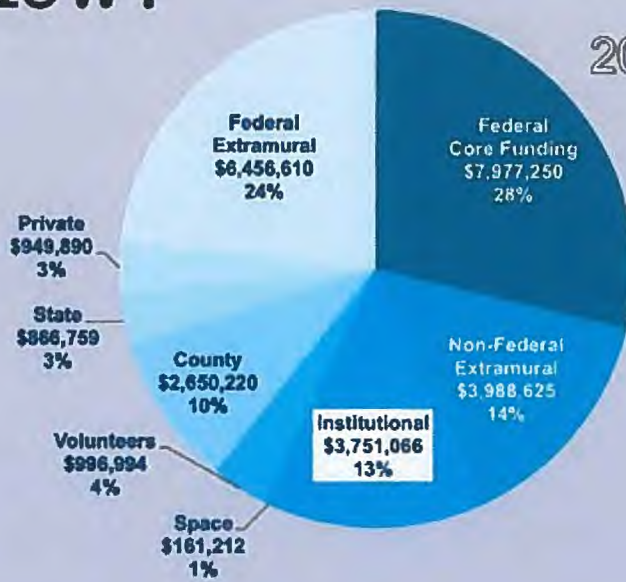
xc: Michele McLean, Deputy Director (pdf w/att.)  
Jacky Takakaura, Administrative Officer (pdf w/att.)  
Scott Teruya, RPA Administrator (pdf w/att.)  
Guy Hironaka, Real Property Manager (pdf w/att.)  
Tara Owens, UH-Sea Grant Extension Agent (pdf w/att.)

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# How?

2011-2015



## Funding

Programmatic Distribution of Total \$\$ (Last 5 Years)

