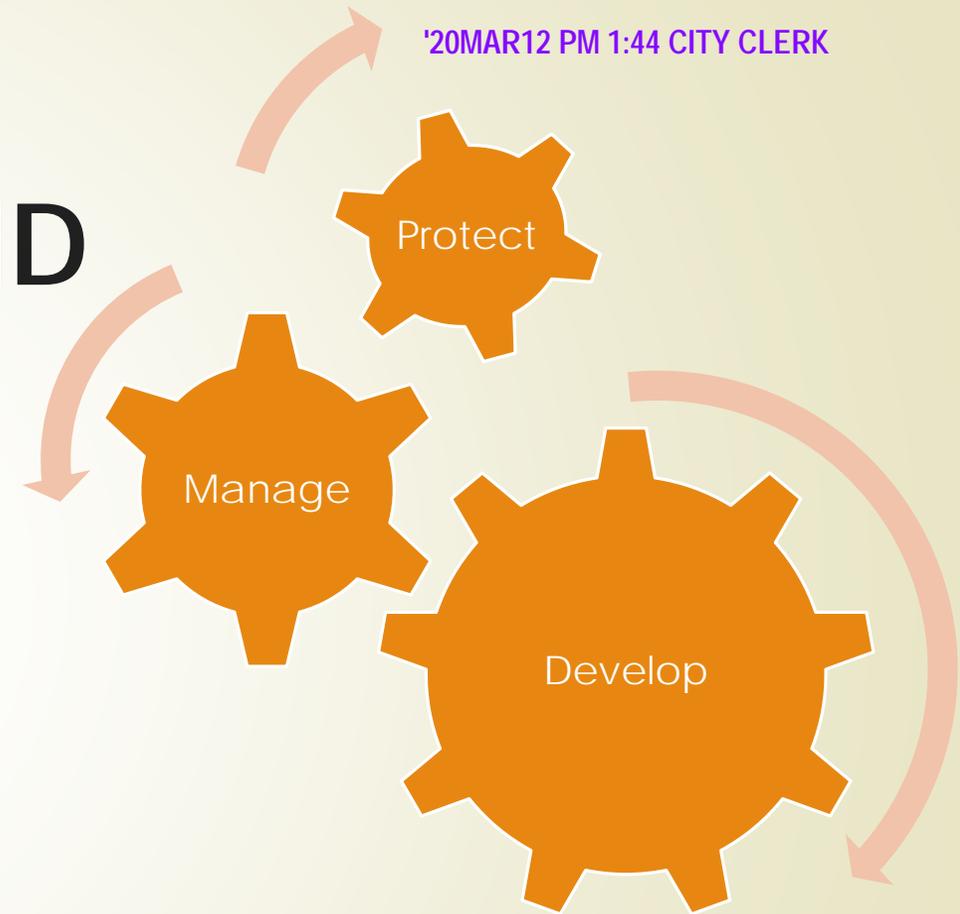


DEPARTMENT OF LAND MANAGEMENT

FY 2021 Operating Budget
Presentation to the Honolulu City Council

March 13, 2020

Sandra S. Pfund, Director
Randy Chu, Deputy Director



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BUDGET

Organization Chart

Administration Division

- Departmental Oversight and Direction

Asset Management Division

- Active Management of City-Owned Lands & Housing Portfolio
- City Office Space Allocation & Efficiency

Asset Development Division

- Property Acquisitions
- Affordable Housing Development
- Development of City-Owned TOD Properties
- Acquisitions under the Clean Water & Natural Lands Program

Finance Division

- Private Activity Bond Program
- Financing Incentives for Development
- Commercial Leasing



Priorities Guiding the Preparation of DLM's FY 2021 Operating Budget

- ▶ **Organizational growth**
 - ▶ Fully operational status of all divisions
 - ▶ Full staffing of 28 regular employees
- ▶ **Maximizing revenue generation opportunities**
 - ▶ Improve residential and commercial leasing programs
 - ▶ Acquire strategic properties for affordable housing and TOD-zone development
 - ▶ Effect necessary repairs to existing City-owned affordable housing projects, based on reserve studies, and reduce turnaround time to return vacant rental units to inventory
- ▶ **Increased property management responsibilities**
 - ▶ Kakaako Makai land transfers of eight (8) property leases/permits
 - ▶ Property management of three (3) newly developed affordable rental projects
 - ▶ Pauahi Hale Commercial
- ▶ **Completion of current development projects (next slide)**
- ▶ **Anticipation of future development projects**
- ▶ **Fulfillment of Clean Water and Natural Lands obligations**



Current development projects

- ▶ **524 Kaaahi Street**
 - ▶ Contract agreement with the Sand Island Drug Treatment Center for relocation to this new property from Sand Island Wastewater Treatment Plant
- ▶ **806 Iwilei Road**
 - ▶ Resource Center and 27-unit rental apartments
- ▶ **West Loch Modular Housing**
 - ▶ Plan, design, and construct 58-unit modular housing project
- ▶ **Transfer of public school sites**
 - ▶ 97 public schools on 120 parcels
- ▶ **Acquisition of CWNL conservation easements and fee simple property**
 - ▶ Currently working on two (2) CWNL transactions

(Continued)



Current development projects (continued)

- ▶ **Acquisition and development of affordable housing and City facilities**
 - ▶ Acquisition of two (2) properties for affordable housing
 - ▶ Acquisition of properties for new HFD stations, four (4) sites
 - ▶ Acquisition of bus facility site for DTS
 - ▶ Assist other City agencies with property acquisition and development
- ▶ **RFP of City-owned land to private developers for affordable rental housing development**
 - ▶ Halewaiolu Senior Residences, Chinatown (155 units)
 - ▶ West Loch affordable family residences (123 units)
 - ▶ Kapolei Lots 6 & 7 family (407 units)
 - ▶ Aiea Sugar Mill senior affordable rentals (140 units)
 - ▶ Varona Village (133 units)

Department of Land Management Changes Between FY 2020 and FY 2021 Operating Budgets

	FY20 Final	FY21 Submitted	Change	% Change
<u>Salaries</u>				
Authorized Positions (FTE)	28.00	28.00	-	-
Authorized Budget	\$507,472	\$951,555	\$444,083	88%
<u>Current Expenses</u>	2,866,292	2,042,668	(823,624)	(29%)
<u>Equipment</u>	100,000	0	(100,000)	(100%)
Total Budget	\$3,473,764	\$2,994,223	(479,541)	(14%)

FY 2021 Budget Issues

Item	Budget Final	Comments
Tree Trimming & Pruning Services	\$40,000	Tree trimming at various Ewa locations
Management fees	15,850	Compensation to agencies managing City properties that do not generate revenue
Rentals – Motor Vehicles	1,100	Rental cars during off-island travels, and rental of moving van to haul items between properties
Other Rentals	600	Meeting rooms to conduct public hearings
Tools	100	Miscellaneous tools for in-house use
Budget issues – Total:	\$57,650	

General Funded Vacancies

Vacant Positions as of 2/1/2020*	15
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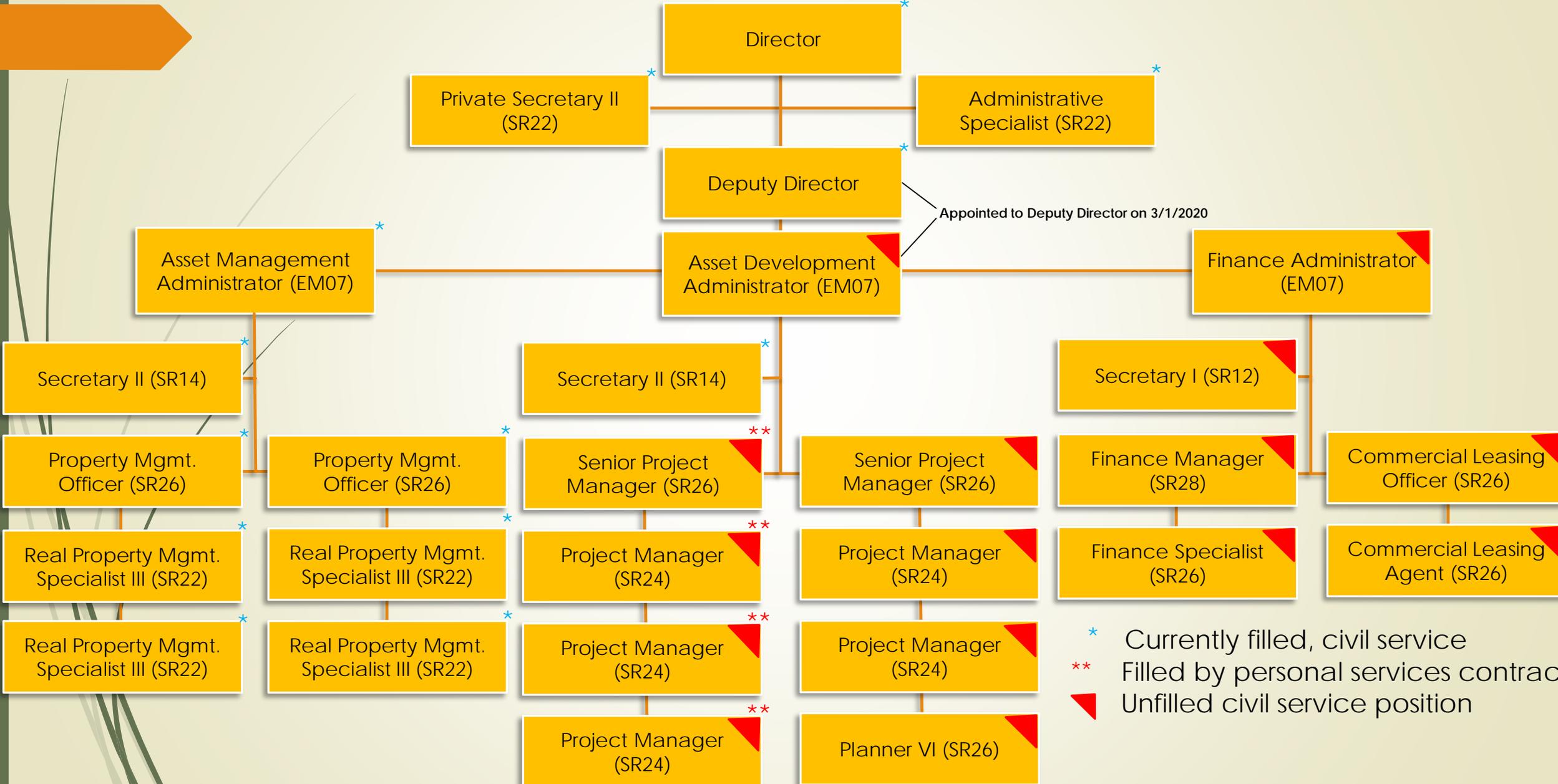
Disposition of Funded Vacancies

To be filled before July 1, 2020	2
To be filled in FY 2021**	13
No. of vacant positions that may be abolished	0

* Reflects the deletion of 0.0 deactivated positions

** Funding in the Provision for Vacant Positions account has been reduced

FY 2021 Position Organization Chart



* Currently filled, civil service
 ** Filled by personal services contract
 ◀ Unfilled civil service position

Revenue Sources

Department of Land Management

DLM does not charge user fees for services

Affordable housing rentals: \$1,240,000

Commercial property leases: \$ 526,735

Telecom tower leases: \$ 112,975

Potential areas for future revenue generation include:

- **Acquiring strategic affordable housing and TOD-zoned properties**
- **Improving residential and commercial leasing operations**

Summary

- ▶ FY20 total budget: \$3,223,764 Authorized FTE: 28.00
- ▶ FY21 total budget: \$2,994,223 Authorized FTE: 28.00

Department of Land Management

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Mahalo!