



# CITY COUNCIL

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April 14, 2020

TO: Councilmember Joey Manahan, Chair  
Committee on Budget

FROM: Councilmember Carol Fukunaga, District 6

RE: Questions for City Administration on FY21 Operating-CIP Budgets

20APR15 PM 1:59 CITY CLERK

In conjunction with your March 25, 2020 memo cancelling the April 1, 2020 Budget Committee meeting (which previously provided an opportunity to review members' proposed CD1 amendments), I am transmitting written questions for submittal to the City administration for response prior to the May 12, 2020 Budget Committee meeting.

The Administration's responses will help councilmembers prepare adjustments to the FY 21 Operating-CIP budgets and CD2 amendments due on April 24, 2020:

### General Budget Questions:

1. Since introduction of the operating and CIP budget bills on March 2nd, what adjustments or recommendations is the Administration proposing to address the likelihood of reduced city revenues from the global COVID-19 pandemic?
  - a. Please identify the total amount of revenue shortfalls projected for the City's sources of FY 21 revenues (e.g., declines in RPT collections, other sources of funding)?
  - b. Please identify any readjusted funding levels from the City's sources of FY 21 revenues.
  - c. How does the Administration plan to use federal monies from the recently-adopted CARES Act to fill in projected funding gaps? Please identify the amounts and purposes for which these CARES Act funds are being allocated.
2. Under the recently-enacted CARES Act, \$150 billion was appropriated to help the states, territories, Washington DC, and tribal units. What is the dollar amount of additional revenues that are programmed for the City & County of Honolulu?

- a. Under the CARES Act provisions, HUD's CDBG program allocates \$2 billion to be distributed to cities and counties for elderly, public health, and homeless services in three rounds. An additional \$1 billion was appropriated to help keep homeless citizens safe.

Based upon HUD information (from its Hawaii website), how does the Administration plan to expend \$4.8 million in additional CDBG funds designated for Honolulu? How does it plan to expend the additional \$2.4 million in ESG funds and \$95,000 in HOPWA funding?

- b. What are the City's plans for the \$57 million in additional funding appropriated for Section 8 vouchers? To what extent is the City administration working to expand upon the \$400 million allocated to Hawaii Public Housing Authority and other public housing programs in the CARES Act to help formerly-homeless or recently-homeless individuals and families in securing alternative housing?
  - c. What other federal assistance does the City anticipate receiving for social services, rental assistance and related needs?
3. What amounts does the City Administration anticipate accessing from the City's 'rainy day' Budget Stabilization fund as a 'bridge financing' tool between the utilization of federal CARES Act appropriations and any FY 20 and FY 21 revenue shortfalls?

#### Operating and CIP Budget Amendment Questions:

1. What priorities/guidelines were given to the departments to develop their Operating/CIP budgets?
  - a. Ensuring public health and safety?
  - b. What percentage of FY 21 CIP projects are new projects, as opposed to completing existing projects?
  - c. What was the basis for city departments proposing new FY 21 projects?
  - d. What is the total dollar amount of CIP projects that are 'shovel-ready' projects?
2. What is the total dollar amount and number of collective-bargaining contracts that were included in the FY 21 operating budget?
  - a. How many contracts were based on completed collective bargaining agreements?
  - b. Were raises budgeted within individual departments or as a separate line item in Department of Budget and Fiscal Services (or other department)?
  - c. What is the current status of completed collective bargaining agreements that would have taken effect in FY 21, particularly with respect to revenue shortfalls anticipated in FY 20 and FY 21 tax collections?

3. What cost-saving actions has the Administration implemented within individual city agencies to prepare for revenue shortfalls during the 3rd and 4th quarters of FY20?
4. What steps is the Administration taking to address FY20 revenue shortfalls, and to address FY 21 shortfalls resulting from the COVID-19 pandemic through the remainder of 2020?
5. What steps is the Administration taking to defer the timing of real property tax collections upon businesses that have been affected by government shutdowns, and upon residents who may now be unemployed?

I look forward to reviewing the Administration's responses prior to finalizing the next round of amendments for the May 12, 2020 Budget Committee meeting. Please let me know if you have additional questions.

cc: Managing Director Roy Amemiya  
Director Nelson Koyanagi, Dept. of Budget and Fiscal Services