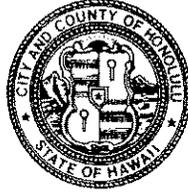


DEPARTMENT OF BUDGET AND FISCAL SERVICES
CITY AND COUNTY OF HONOLULU
530 SOUTH KING STREET, ROOM 208 • HONOLULU, HAWAII 96813
PHONE: (808) 768-3901 • FAX: (808) 768-3179 • INTERNET: www.honolulu.gov

MUFI HANNEMANN
MAYOR



MARY PATRICIA WATERHOUSE
DIRECTOR

March 10, 2008

The Honorable Barbara Marshall, Chair
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

RECEIVED

Mar 11 10 30 AM '08

CITY CLERK
HONOLULU, HAWAII

Dear Chair Marshall and Councilmembers:

Subject: Report Relating to the Affordable Housing Fund

Pursuant to Ordinance No. 07-19, Relating to the Affordable Housing Fund,
Section 6-4, attached is the submitted as required.

I would be pleased to respond to any questions you may have regarding this
matter.

Sincerely,

Handwritten signature of Mary Patricia Waterhouse in cursive.

Mary Patricia Waterhouse, Director
Budget and Fiscal Services

MPW:dkm
Attachment

APPROVED:

Handwritten signature of Wayne M. Hashiro in cursive.

Wayne M. Hashiro, P.E.
Managing Director

REPORT ON THE AFFORDABLE HOUSING FUND ACTIVITIES

This report is submitted in compliance with Ordinance No. 07-19, which requires the Mayor to submit to the City Council a report on the Affordable Housing Fund, 15 days after the Mayor transmits to Council the budget documents. A schedule projecting the minimum amount required by Charter to be appropriated to the Affordable Housing Fund (Fund) from the estimated real property tax revenue is attached.

For the Fiscal Year 2009 (FY 09), no monies from the Fund are included in the Operating Budget. However, \$5.5 million from the Fund are included in the proposed FY 09 Capital Improvement Program (CIP). The CIP includes \$3.5 million to finance the fee acquisition of the City's Kulana Nani Apartment (Project No. 1995201). Additionally, \$2.0 million are proposed to be used to help finance the development of permanent rental housing consistent with the Ordinance No. 07-19 on a City-owned parcel, the River Street Residences (Project No. 2009005). A proposed amendment to the public infrastructure for the proposed River Street Residences will be submitted to the Council as required.

FISCAL YEAR 2009
Calculation of Transfer to:
Clean Water and Natural Lands Fund and Affordable Housing Fund

Real Property Tax Fiscal Year 2009	788,047,000
Percent Allocation	1.00%
RCH Article IX Section 9-204 Appropriation	7,880,470
Allocation:	
Clean Water and Natural Lands Fund	3,940,240 *
Affordable Housing Fund	3,940,240 *

*Allocation for funds rounded up.