

## **PROPOSAL 116**

Section 9-204 of the Revised Charter of the City and County of Honolulu 1973, as amended, is amended to read as follows:

### **“Section 9-204. Clean Water and Natural Lands Fund and Affordable Housing Fund --**

1. There shall be established a Clean Water and Natural Lands Fund and an Affordable Housing Fund. In adopting each fiscal year’s budget and capital program, the council shall appropriate [a minimum of] one percent of the estimated real property tax revenues, one-half of which shall be deposited into the Clean Water and Natural Lands Fund and the remaining one-half of which shall be deposited into the Affordable Housing Fund.

2. Moneys in the Clean Water and Natural Lands Fund shall be used to purchase or otherwise acquire real estate or any interest therein for land conservation in the city for the following purposes: protection of watershed lands to preserve water quality and water supply; preservation of forests, beaches, coastal areas and agricultural lands; public outdoor recreation and education, including access to beaches and mountains; preservation of historic or culturally important land areas and sites; protection of significant habitats or ecosystems, including buffer zones; conservation of land [in order] to reduce erosion, floods, landslides, and runoff; and acquisition of public access to public land and open space.

3. Moneys in the Affordable Housing Fund shall be used to provide and maintain affordable housing for persons earning less than fifty percent of the median household income in the city for the following purposes: provision and expansion of affordable housing and suitable living environments principally for persons of low and moderate income through land acquisition, development, construction, and maintenance of affordable housing for sale or for rental, provided that the housing remains affordable in perpetuity.

4. The moneys in each fund may also be used for the payment of principal, interest, and premium, if any, due with respect to bonds issued subsequent to enactment of this section and pursuant to Sections 3-116 or 3-117, in whole or in part, for the purposes enumerated in subsections 2 and 3 of this section and for the payment of costs associated with the purchase, redemption or refunding of such bonds.

5. At any given time, no more than five percent of the moneys in each fund shall be used for administrative expenses.

6. Any balance remaining in each fund at the end of any fiscal year shall not lapse, but shall remain in the fund, accumulating from year to year. The moneys in each fund shall not be used for any purposes except those listed in this section.

7. The department of budget and fiscal services shall receive proposals for the use of funds in the Clean Water and Natural Lands Fund and shall submit qualified proposals to an advisory commission, which shall make recommendations to the council for approval. All proposals for uses of the Clean Water and Natural Lands Fund shall be processed consistent with this procedure.

8. There shall be established a Clean Water and Natural Lands advisory commission to consider proposals submitted to it by the department of budget and fiscal services and to submit recommendations to the council for approval of expenditures under this section. The commission shall consist of seven members, with three appointed by the mayor, three appointed by the

council, and one appointed by a majority vote of the six appointed members. The members shall serve for staggered terms of five years and until their successors have been appointed and qualified. The initial appointments shall commence no later than January 15, 2017, and shall be as follows:

(a) For an initial two-year term, two members, one each appointed by the mayor and the council.

(c) For an initial three-year term, two members, one each appointed by the mayor and the council.

(d) For an initial four-year term, two members, one each appointed by the mayor and the council.

(e) For a five-year term, the member appointed by the majority vote of the other six appointed members.

9. The director of the department of budget and fiscal services shall administer the fund.

10. The council shall by ordinance establish other procedures for the administration and expenditure of moneys in each fund consistent with this section. The appropriations to each fund shall not substitute for, but shall be in addition to, those appropriations historically made for the purposes stated in this section."