

PROPOSAL C-7

Section 9-205 of the Revised Charter of the City and County of Honolulu 1973, as amended, is amended to read as follows::

“Section 9-205. Grants in Aid Fund --

1. There shall be established a Grants in Aid Fund. [Monies] Except as otherwise provided by federal or state law, monies in the Grants in Aid Fund shall be used by the city as the sole source of funds, excluding all federal monies, state monies, city matching monies used by te city, city monies for grants under city loan programs, and city Affordable Housing Fund monies under Section 9-204, to award grants in aid to federal income tax exempt non-profit organizations that provide services to economically and/or socially disadvantaged populations or provide services for public benefit in the areas of the arts, culture, economic development or the environment.

2. In adopting each fiscal year’s budget and capital program, the council shall appropriate a minimum of one-half of one percent of the estimated general fund revenues which shall be deposited into the Grants in Aid Fund.

3. No less than \$250,000 from the Grants in Aid Fund shall be expended annually in each council district.

4. At any given time, no more than five percent of the moneys in the Grants in Aid Fund shall be used for administrative expenses.

5. Any balance remaining in the 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 the fund shall not be used for any purpose except those listed in this section.

6. The council may waive the requirements of this section of the charter pertaining to the annual appropriation of general fund revenues to the grants in aid fund for any particular fiscal year, when the council finds by a two-thirds vote of its entire membership that an emergency due to a public calamity exists or the city could not otherwise fulfill its legal obligations.

7. There shall be established a grants in aid advisory commission to advise the city on grants issued under this section. The commission shall consist of seven members appointed by the mayor who 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, 2013, and shall be as follows:

- (a) For a two-year term, two members.
- (b) For a three-year term, two members.
- (c) For a four-year term, two members.
- (d) For a five-year term, one member.

8. The council shall by ordinance establish procedures for the administration and expenditure of the moneys in the fund.”