



U.S. Department
of Transportation
**Federal Transit
Administration**

Administrator

1200 New Jersey Avenue S.E.
Washington DC 20590

Mufi Hannemann
Mayor
City and County of Honolulu
530 South King Street
Room 300 Honolulu, HI 96813

Dear Mayor Hannemann:

I am responding to your letter dated December 11, 2009, in which you review the status of several unresolved issues associated with the environmental process for the Honolulu High-Capacity Transit Corridor Project (the "Project"). In the view of the City and County of Honolulu (the City), each of the outstanding issues will be resolved by or before the end of this month, at which point the Final Environmental Impact Statement (FEIS) could be made available to the public.

Although the Federal Transit Administration's (FTA) staff is working diligently to expedite resolution of all outstanding environmental issues, final resolution of some issues require input from other parties under the National Environmental Policy Act (NEPA). Two examples of this process are the provisions of Section 106 of the National Historic Preservation Act (Section 106) and the requirements of the Federal Aviation Administration (FAA) for projects proposed on airport properties.

Regarding Section 106, signatories to the programmatic agreement did not concur with the contents of the agreement on December 15th, as anticipated in your letter. Rather, on December 18th, FTA received a request from the Advisory Council on Historic Preservation seeking clarification of the U.S. Navy's role and responsibilities in the consultation process under Section 106, as well as additional information. Consequently, it is highly improbable that the Section 106 consultation process, including execution of the programmatic agreement, can be completed by the end of the month.

Regarding FAA requirements, FTA is awaiting the results of FAA discussions with the Hawaii Department of Transportation's Airports Division on an array of potential Project impacts at Honolulu International Airport. FAA intends to inform FTA, in January 2010, about its conclusions regarding potential airport impacts, mitigations, analysis, and documentation. Upon receipt of the FAA letter, FTA will have a clearer understanding of any additional steps needed to bring closure to airport-related issues in the FEIS.

Both of these topics well illustrate the uncertainties that FTA and the City face to support completion of the FEIS. Consequently, FTA cannot predict the completion dates for the FEIS in particular or the NEPA process in general. FTA knows how important this project is to the City and County of Honolulu. All parties have worked diligently to get to this point in the Section 106, airport, and NEPA proceedings. FTA is concerned that those processes not be truncated to meet a schedule that has become unattainable.

I also want to call to your attention another project-related issue. FTA issued a Financial Capacity Assessment Report to City staff on December 17, 2009, which identifies financial capacity issues that must be addressed in the near term. As noted in the report and our letter of October 16, 2009, approving the project into preliminary engineering, it is imperative that the current financial plan be strengthened to support future FTA project approval actions including entry into final design and any potential requests for a Letter of No Prejudice.

Again, FTA staff is working hard to expedite resolution of all outstanding environmental issues. I am confident that the environmental process will be completed as swiftly as possible but cannot commit to completing that process by a specific date and certainly not by the end of the month. Should you have any questions or concerns regarding the above, please contact Mr. Leslie Rogers, FTA Region IX Administrator, at 415-744-3133.

Sincerely,

Peter M. Rogoff

Cc: Mr. Kenneth (Toru) Hamayasu
Honolulu Department of Transportation Services