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City rail plan is on track, financially sound

By Carrie Okinaga, Ivan Lui-Kwan, Damien Kim and Don Horner

The board members of the Honolulu Authority for Rapid Transportation (HART) represent Oahu's citizens to oversee the design, construction and operation of our rail transit system.

Honolulu has a serious traffic problem that is only getting worse. Oahu's rail system will be a significant contributor to providing relief for our West Oahu citizens and for the communities along the rail line. The transit route covers our most congested corridor.

More than 60 percent of the island's population and 80 percent of its jobs are located within the rail's route. And, by 2030, nearly 70 percent of the island's population and 83 percent of Oahu's jobs are projected to be located in the route area.

Honolulu voters approved the planned HART rail system and also voted to establish a semi-autonomous public transit authority with a board of directors entrusted to oversee the project. We take our fiduciary responsibility very seriously and have invested hundreds of hours to ensure the transit plan is sound, is being executed with integrity, and is in the best interest of the taxpayers of Honolulu.

The development of the transit plan was conducted professionally and comprehensively and examined a variety of alternatives. The process was subjected to additional oversight of the Federal Transit Administration (FTA) and U.S. Transportation Secretary Ray LaHood stated the project plan was done "by the book."

Additionally, your HART board has reviewed the viability of the project's financial plan, as has the FTA. The plan's sources of revenue for construction come from only the federal government and the state's general excise tax (GET) surcharge, with a portion of that tax being paid by our visitors (no property taxes or other city revenues are to be used for construction of the project). As of Dec. 31, we are ahead of our plan on GET revenues and have already received \$120 million in federal funds.

To date, HART staff has participated in more than 1,500 workshops, presentations, neighborhood board meetings and other events to provide information about the project and garner community input.

The planned construction is well under way, with \$2.1 billion of our project cost contracted, representing 50 percent of the total construction costs, and our overall expenses are below budget to date, and we continue to have ample contingency funds of more than \$800 million. The financial plan is sound and we remain confident that revenues will exceed our construction costs and the city will have no debt at project completion.

Overall, our city's rail system has been well planned and executed. We are on the right track for a highly successful and welcomed traffic solution that is financially sound and will serve Honolulu for generations.

Carrie Okinaga is chairwoman of the Honolulu Authority for Rapid Transportation; Ivan Lui-Kwan is vice chairman; Damien Kim is project oversight committee chairman; and Don Horner is finance committee chairman.

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