

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-3

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE GUIDEWAY EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 1-1-016-019 and 1-1-016-020 (PORTIONS) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENTS BY EMINENT DOMAIN

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property and easements to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property and easements; and

WHEREAS, the acquisition by eminent domain of the guideway easement and temporary construction easement over, on, and across the real property identified as Tax Map Keys (TMKS) 1-1-016-019 and 1-1-016-020 (Portions) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That written notification to the City Council is approved, for the acquisition by eminent domain of the guideway easement and temporary construction easement over, on, and across the real property identified as TMKS 1-1-016-019 and 1-1-016-020 (Portions); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the

attached resolution marked as Exhibit B, authorizing acquisition by eminent domain of said easements.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Exhibit A – Legal description of TMKS 1-1-016-019 and 1-1-016-020 (Portions)
Exhibit B – Resolution No. 2016-___, Authorizing the Acquisition of Guideway Easement and Temporary Construction Easement Over, On, and Across the Real Property Identified as Tax Map Keys 1-1-016-019 and 1-1-016-020 (Portion) by Eminent Domain.

Board Chair

ATTEST:

Board Administrator

Easement A
For Guideway Purposes
Affecting Lot 105 (Map 150) of Land Court Application 1074

SITUATE AT MOANALUA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Southwest corner of this parcel of land, along the North side of Waiwai Loop, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE" being 11,095.05 feet South and 2,418.70 feet West, thence running by azimuths measured clockwise from true South:

- 1. 189° 04' 9.00 feet;
- 2. 279° 04' 28.00 feet;
- 3. 9° 04' 9.00 feet;
- 4. 99° 04' 28.00 feet along the North side of Waiwai Loop to the point of beginning and containing an area of 252 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 February 2, 2016
 TMK: 1-1-016: 020 (PDQ 318)

Note: This description is for exhibit purposes only and does not purport a legally subdivided lot.



**Easement B
For Temporary Construction Purposes
Affecting Lot 104 (Map 150) of Land Court Application 1074**

SITUATE AT MOANALUA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Southwest corner of this easement, also being the Southeast corner of Lot 103 (Map 150) of Land Court Application 1074, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE", being 11,076.43 feet South and 2,535.39 feet West, thence running by azimuths measured clockwise from true South:

- | | | |
|----|----------|---|
| 1. | 189° 04' | 6.70 feet along Lot 103 (Map 150) of Land Court Application 1074; |
| 2. | 279° 04' | 30.67 feet; |
| 3. | 9° 04' | 6.70 feet; |
| 4. | 99° 04' | 30.67 feet along the North side of Waiwai Loop to the point of beginning and containing an area of 205 Square Feet, more or less. |



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki

 Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 February 2, 2016
 TMK: 1-1-016: 019 (PDQ 318)

Note: This description is for exhibit purposes only and does not purport a legally subdivided lot.



**Easement C
For Temporary Construction Purposes
Affecting Lot 105 (Map 150) of Land Court Application 1074**

SITUATE AT MOANALUA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Southwest corner of this easement, along the North side of Waiwai Loop, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE", being 11,141.66 feet South and 2,422.87 feet West, thence running by azimuths measured clockwise from true South:

1. 189° 04' 10.06 feet;
2. 279° 04' 86.05 feet;
3. 9° 04' 7.26 feet along Lot 3286 (Map 430) of Land Court Application 1074;
4. Thence along the North side of Waiwai Loop, on a curve to the right with a radius of 347.00 feet, the chord azimuth and distance being:
95° 25' 27" 44.09 feet;
5. 99° 04' 9.83 feet along the North side of Waiwai Loop;
6. 189° 04' 9.00 feet;
7. 99° 04' 28.00 feet;
8. 9° 04' 9.00 feet;
9. 99° 04' 4.22 feet along the North side of Waiwai Loop to the point of beginning and containing an area of 573 Square Feet, more or less.





R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki

Ryan M. Suzuki Exp: 4/30/16
Licensed Professional Land Surveyor
Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
February 9, 2016
TMK: 1-1-016: 020 (PDQ 318)

Note: This description is for exhibit purposes only and does not purport a legally subdivided lot.



Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-__

**AUTHORIZING THE ACQUISITION OF GUIDEWAY EASEMENT AND
TEMPORARY CONSTRUCTION EASEMENT OVER, ON, AND ACROSS THE
REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 1-1-016-019 and 1-1-016-
020 (PORTIONS) BY EMINENT DOMAIN**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, the City Council approved or did not object to the acquisition of guideway easement and temporary construction easement over, on, and across the real property identified as Tax Map Keys (TMKS) 1-1-016-019 and 1-1-016-020 (Portions) by eminent domain after written notification by HART; and

WHEREAS, the acquisition by eminent domain of said guideway easement and temporary construction easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That acquisition by eminent domain of the guideway easement and temporary construction easement over, on, and across the real property identified as TMKS 1-1-016-019 and 1-1-016-020 (Portions) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of said easements by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of said easements by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and

4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and
5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMKS 1-1-016-019 and 1-1-016-020 (Portions)

Easement A
For Guideway Purposes
Affecting Lot 105 (Map 150) of Land Court Application 1074

SITUATE AT MOANALUA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Southwest corner of this parcel of land, along the North side of Waiwai Loop, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE" being 11,095.05 feet South and 2,418.70 feet West, thence running by azimuths measured clockwise from true South:

- 1. 189° 04' 9.00 feet;
- 2. 279° 04' 28.00 feet;
- 3. 9° 04' 9.00 feet;
- 4. 99° 04' 28.00 feet along the North side of Waiwai Loop to the point of beginning and containing an area of 252 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 February 2, 2016
 TMK: 1-1-016: 020 (PDQ 318)

Note: This description is for exhibit purposes only and does not purport a legally subdivided lot.



Easement B
For Temporary Construction Purposes
Affecting Lot 104 (Map 150) of Land Court Application 1074

SITUATE AT MOANALUA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Southwest corner of this easement, also being the Southeast corner of Lot 103 (Map 150) of Land Court Application 1074, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE", being 11,076.43 feet South and 2,535.39 feet West, thence running by azimuths measured clockwise from true South:

- 1. 189° 04' 6.70 feet along Lot 103 (Map 150) of Land Court Application 1074;
- 2. 279° 04' 30.67 feet;
- 3. 9° 04' 6.70 feet;
- 4. 99° 04' 30.67 feet along the North side of Waiwai Loop to the point of beginning and containing an area of 205 Square Feet, more or less.



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2024 North King Street, Suite 200
 Honolulu, Hawaii 96819
 February 2, 2016
 TMK: 1-1-016: 019 (PDQ 318)

Note: This description is for exhibit purposes only and does not purport a legally subdivided lot.



**Easement C
For Temporary Construction Purposes
Affecting Lot 105 (Map 150) of Land Court Application 1074**

SITUATE AT MOANALUA, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the Southwest corner of this easement, along the North side of Waiwai Loop, the coordinates of said point of beginning referred to Government Survey Triangulation Station "SALT LAKE", being 11,141.66 feet South and 2,422.87 feet West, thence running by azimuths measured clockwise from true South:

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3. 9° 04' 7.26 feet along Lot 3286 (Map 430) of Land Court Application 1074;
4. Thence along the North side of Waiwai Loop, on a curve to the right with a radius of 347.00 feet, the chord azimuth and distance being:
95° 25' 27" 44.09 feet;
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6. 189° 04' 9.00 feet;
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8. 9° 04' 9.00 feet;
9. 99° 04' 4.22 feet along the North side of Waiwai Loop to the point of beginning and containing an area of 573 Square Feet, more or less.





R. M. TOWILL CORPORATION

Description prepared by:

Ryan M Suzuki

Ryan M. Suzuki Exp: 4/30/16
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Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
February 9, 2016
TMK: 1-1-016: 020 (PDQ 318)

Note: This description is for exhibit purposes only and does not purport a legally subdivided lot.



Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2016-3 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE GUIDEWAY EASEMENT AND TEMPORARY CONSTRUCTION EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 1-1-016-019 and 1-1-016-020 (PORTIONS) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENTS BY EMINENT DOMAIN	STAFF CONTACT: Jesse Souki Morris Atta	DATE: 02/18/2016
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Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input checked="" type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input checked="" type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:

Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Keys 1-1-016-019 and 1-1-016-020 (Portions), and situated at 2635 Waiwai Loop, Honolulu, Hawaii 96819, which is required for guideway and temporary construction easement purposes for the Honolulu Rail Transit Project (H RTP). This property, for which a 252 square-foot guideway easement acquisition and 778-square-foot temporary construction easement are required, is on the critical path for successful completion of the Airport Section of the H RTP. The property is owned by Masters Properties, LLC.

HART recommends use of eminent domain to acquire the property.

2. Background/Justification

This property (Tax Map Key 1-1-016-019 and 1-1-016-020) was designated as needed for the H RTP and identified in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the Owners were notified of HART's intent to acquire the property. An appraisal was conducted following URA guidelines, which took into consideration all site conditions and potential impacts.

- An appraisal report with an effective date of May 14, 2015 was prepared.
- A Letter of Offer dated June 29, 2015 was delivered.
- Owner has rejected Letter of Offer and has not provided a counteroffer. Negotiations with the Owner have become protracted.

This parcel is being referred to eminent domain in order to adhere to the project construction timeline. Access to this parcel is needed as soon as possible in order to avoid costly delays to the project schedule and timing. Negotiations with the Owner will continue during the eminent domain process.

3. Procurement Background

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the eminent domain of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the URA, FTA 5010.1D and Article SVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

There is no feasible alternative to avoid the above described impacts to the property.

8. Exhibits

Exhibit 1 – Letter of Offer dated June 29, 2015.

Exhibit 2 – Appraisal Summary prepared by John Child & Company with an effective appraisal date of May 14, 2015.

Certified and Recommended by:



Executive Director and CEO

2/11/14

Date



IN REPLY REFER TO:

CMS-AP00ROW-00954

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

CERTIFIED MAIL/RETURN RECEIPT REQUESTED
7014 1200 0000 8348 1922

BOARD OF DIRECTORS

Ivan M. Lui-Kwan, Esq.
CHAIR

June 29, 2015

Donald G. Horner
VICE CHAIR

Mr. John R. Dodds
Masters Properties, LLC
255 Washington Street, Suite 300
Newton, Massachusetts 02458

George I. Atta
Robert Bunda
Michael D. Formby
Ford N. Fuchigami
William "Buzz" Hong
Keslie W.K. Hui
Damien T.K. Kim
Carrie K.S. Okinaga, Esq.

Dear Mr. Dodds:

Subject: Honolulu Rail Transit Project (H RTP)
2635 Waiwai Loop
Parcel 318: Tax Map Key (TMKs) 1-1-016-019 and 1-1-016-020 (Portions)
Letter of Offer

The Honolulu Authority for Rapid Transportation (HART) is constructing the H RTP. As part of the H RTP, HART will need to acquire a portion of your property. An appraisal of the property identified as TMKs 1-1-016-019 and 1-1-016-020 has been completed to determine just compensation.

A review of public records indicates that you are the Owner of Record of the property HART is seeking to acquire for this Project. Based on our findings as contained in the enclosed Statement of Just Compensation, HART offers to purchase a portion of your property, a total of 252 square feet, for guideway easement, for the total consideration of \$14,200 (Fourteen Thousand Two Hundred Dollars), as shown colored in red on the enclosed map.

In addition, HART offers to purchase two Temporary Construction Easements (TCE) consisting of 778 square feet (shown colored in yellow on the enclosed map) for a consideration of \$7,030 (Seven Thousand Thirty Dollars). The intent of the TCE is to provide temporary access to and use of a portion of your property for the purpose of facilitating Project construction activities. These activities may involve operation of equipment, movement of a work force on the described easement, and may include site security with temporary fencing. Construction within the TCE area would be limited to the driveway and back of sidewalk connections to existing grades and surface restoration. The duration of the TCE will be twelve months with a start date to be determined thru coordination with you and HART's contractor.

The total offer for acquiring the interest in your property is \$21,230 (Twenty-One Thousand Two Hundred Thirty Dollars). Costs incidental to closing escrow for this transaction will be paid by HART except prorated costs such as taxes and insurance.

Mr. John R. Dodds
Page 2
June 29, 2015

The amount of offer is predicated on the assumption that there exists no hazardous substance, product, or waste on the subject property. Please be advised that the amount offered is subject to completion of an environmental site assessment by HART, and the cost to remediate any identified findings may affect the valuation of the subject property.

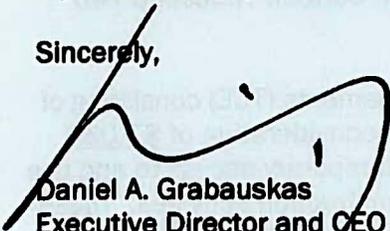
If this offer is acceptable, please sign the duplicate of this letter and return it in the enclosed envelope by **July 30, 2015**. The remaining copy is for your file. Enclosed for your information are the Appraisal Summary Statement and General Acquisition and Relocation Information Brochure. Also enclosed is a draft Possession and Use Agreement for your review, consideration, and for further discussion with your acquisition agent. The Possession and Use Agreement is intended to provide you early access to most of the purchase price of this acquisition subject to HART being provided access to the portion of your property required for construction of the H RTP with minimal risk to the Project. Under this agreement, your rights to the full just compensation amount are fully reserved and enforceable.

It is the desire of HART to acquire private property through voluntary purchase if possible. While HART has the power of eminent domain, HART has not sought the authority nor made any decision to exercise the power of eminent domain to acquire your property at this time.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

HART has retained the services of Paragon Partners Ltd to assist you with the acquisition process. Please contact Mr. Jackson Blagden at 536-5900 or by email at jblagden@paragon-partners.com if you have any questions or to discuss this matter further.

Sincerely,



Daniel A. Grabauskas
Executive Director and CEO

Enclosures

Mr. John R. Dodds
Page 3
June 29, 2015

ACCEPTED:

MASTERS PROPERTIES, LLC

By _____
Its

Print Name: _____

Dated: _____

Appraisal Report to

**City and County of Honolulu
Honolulu Authority for Rapid Transportation
Paragon Partners Ltd.
Honolulu Rail Transit Project**

Covering the

**PARTIAL ACQUISITION OF THE
MASTERS WAIWAI LOOP PROPERTY
Tax Map Keys (1) 1-1-016:019 and 020
Owner: Masters Properties LLC**

2635 Waiwai Loop, Airport Industrial District,
Honolulu, Oahu, Hawaii

As of May 14, 2015

(PDQ Parcel 318)


JOHN CHILD & COMPANY
APPRAISERS & CONSULTANTS



May 18, 2015

Karen Char, MAI, CRE
Paul D. Cool, MAI, CRE
Shelly H. Tanaka, MAI
Elizabeth Tang

City and County of Honolulu
Honolulu Authority for Rapid Transportation
c/o Ms. Georgia Marquis
1099 Alakea Street, Suite 2150
Honolulu, Hawaii 96813

Dear Ms. Marquis:

**Re: Partial Acquisition of the Masters Waiwai Loop Property at 2635 Waiwai Loop;
Tax Map Keys (1) 1-1-016:019 and 020; PDQ Parcel 318**

At your request, John Child & Company has completed valuation analyses to estimate the fair market value of a 252 $\frac{1}{2}$ guideway easement and annual rent for two temporary construction easements encompassing a 778 $\frac{1}{2}$ portion of the Masters Waiwai Loop Property. This letter summarizes the background and estimated values presented in the attached report.

STUDY BACKGROUND

The Masters Waiwai Loop Property is an improved industrial warehouse at 2635 Waiwai Loop, in the Honolulu Airport Industrial district on Oahu, Hawaii. The 44,959 $\frac{1}{2}$ site consists of two, industrial-zoned parcels identified as Tax Map Keys 1-1-016:019 and 020 of the First Taxation Division.

Honolulu Authority for Rapid Transportation (HART), a semi-autonomous public transit authority, has retained Paragon Partners Ltd. as its consultant for the Honolulu Rail Transit Project (HRTTP). The HRTTP requires a 252 $\frac{1}{2}$ guideway easement along Waiwai Loop and two temporary construction easements (TCEs) during construction. In this regard, you have asked us to assist you.

STUDY OBJECTIVES

The objectives of our assistance are to:

1. Estimate the fair market value of a 252 $\frac{1}{2}$ guideway easement on a portion of the Masters Waiwai Loop Property
2. Estimate the annual market rent for two temporary construction easements encompassing a 778 $\frac{1}{2}$ portion of the Masters Waiwai Loop Property.



Honolulu Authority for Rapid Transportation
Paragon Partners Ltd.
May 18, 2015
Page 2

INTENDED USE AND USERS

Our assistance is intended to be used by HART, Paragon Partners Ltd. (Paragon Partners), and the U.S. Department of Transportation Federal Transit Administration (FTA) in connection with the HRTF.

As a result, our assistance is intended for the sole and exclusive use of HART (Client), Paragon Partners, and the FTA. The Client has agreed that our assistance is not intended for any other purpose or users and is not to be relied upon by any third parties for any purpose, whatsoever.

DATE OF PROPERTY VISIT

The property was visited on May 14, 2015. At the direction of Paragon Partners, the property was viewed from Waiwai Loop only.

EFFECTIVE DATE OF APPRAISAL

The effective date of appraisal is May 14, 2015.

DATE OF REPORT

The date of this report is May 18, 2015.

DEFINITIONS OF TERMS

Terms used in this report are defined in the Appraisal Institute's, **The Dictionary of Real Estate Appraisal**, Fifth Edition, unless otherwise footnoted.

Fair Market Value

“Fair market value” has the same meaning as “market value.”

Market value means the amount in cash, or on terms reasonably equivalent to cash, for which in all probability the property would have sold on the effective date of the appraisal, after a reasonable exposure time on the open competitive market, from a willing and reasonably knowledgeable seller to a willing and reasonably knowledgeable buyer, with neither acting under any compulsion to buy or



Honolulu Authority for Rapid Transportation
Paragon Partners Ltd.
May 18, 2015
Page 3

sell, giving due consideration to all available economic uses of the property at the time of the appraisal. [1]

Fee Simple Interest

“Fee simple interest” is the same as “fee simple estate.”

Fee simple estate is defined as absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.

Easement

An easement is the right to use another’s land for a stated purpose.

Market Rent

Market rent means the most probable rent that a property should bring in a competitive and open market reflecting all conditions and restrictions of the lease agreement, including permitted uses, use restrictions, expense obligations; term, concessions, renewal and purchase options, and tenant improvements (TIs).

ASSUMPTION OF HYPOTHETICAL CONDITIONS

A hypothetical condition is that which is contrary to what exists but is supposed for the purpose of analysis. Hypothetical conditions assume conditions contrary to known facts about physical, legal, or economic characteristics of the subject property; or about conditions external to the property, such as market conditions or trends; or about the integrity of the data used in an analysis.

The report is subject to the following hypothetical conditions.

Valuation Assumes No Impact of HRTTP

Section 24.103(b) of the Code of Federal Regulation (CFR) states:

[1] Interagency Land Acquisition Conference, **Uniform Appraisal Standards for Federal Land Acquisitions**, 2000.



Honolulu Authority for Rapid Transportation
Paragon Partners Ltd.
May 18, 2015
Page 4

“The appraiser shall disregard any decrease or increase in the market value of the real property caused by the project for which the property is to be acquired, or by the likelihood that the property would be acquired for the project, other than that due to physical deterioration within the reasonable control of the owner.”

Therefore, the estimated values are based on the hypothetical condition that the property is not impacted by the rail project as of the date of valuation.

Valuation Assumes Fee Simple Interest

The property is leased to Triple B Freight Forwarders. The tenant lease was not provided.

However, at the direction of Paragon Partners, the valuations of the easement taking and TCEs are based on the hypothetical condition that the property is owned in fee simple and unencumbered.

The assumption of these hypothetical conditions could have an effect on the value of the taking and TCE.

EXTRAORDINARY ASSUMPTIONS

An extraordinary assumption is an assumption, directly related to a specific assignment, which, if found to be false, could alter the appraiser's opinions or conclusions. Extraordinary assumptions presume as fact otherwise uncertain information about physical, legal, or economic characteristics of the subject property; or about conditions external to the property such as market conditions or trends; or about the integrity of data used in an analysis.

The guideway easement and TCE on Parcel 20 encompasses the parcel's driveway and area in front of the building's loading dock and storage shed. The estimated market value of the taking and TCEs are based on the extraordinary assumptions that ingress and egress to the remainder parcel will not be affected.

The estimated values also assume HART will be responsible for the reconstruction of existing site improvements affected by the proposed taking and TCE, including landscaping and asphalt or concrete paving, utility connections, and security fencing.

STUDY CONDITIONS

This report is subject to the study conditions included in Section I.



Honolulu Authority for Rapid Transportation
Paragon Partners Ltd.
May 18, 2015
Page 5

**ESTIMATED FAIR MARKET VALUE OF THE
PARTIAL TAKING**

The fair market value of the 252^{sq} portion of the Masters Waiwai Loop Property that will be acquired for the H RTP guideway easement is estimated based on the *taking + damages* method whereby the value of the part acquired is its value as a part of the whole (i.e., the larger parcel). The "larger parcel" is the 44,959^{sq} Masters Waiwai Loop Property.

Based on the valuation assumptions and analysis presented in Section IV of the attached report, the fair market value of the 252^{sq} easement taking, as of May 14, 2015, is estimated to be:

FOURTEEN THOUSAND TWO HUNDRED DOLLARS
\$14,200.

The taking includes vacant land along the perimeter of the property near Waiwai Loop. The taking does not impact the current use or redevelopment potential of the property. Therefore, there are no severance damages as a result of the taking.

ESTIMATED MARKET RENT FOR THE TCES

Based on the valuation assumptions and analysis presented in Section V of the attached report, the annual market rent for two TCES that will encumber a total 778^{sq}, as of May 14, 2015, is estimated to be:

\$7,030.

The annual market rent is equivalent to about \$586 per month or \$3,515 for a six-month period.

* * * * *



Honolulu Authority for Rapid Transportation
Paragon Partners Ltd.
May 18, 2015
Page 6

We appreciate the opportunity to assist you on this interesting assignment. Please contact us if you have questions.

Sincerely,

JOHN CHILD & COMPANY, INC.

A handwritten signature in black ink, appearing to read "Shelly H. Tanaka", is written over the printed name.

Shelly H. Tanaka, MAI
Vice President
Certified General Appraiser License No. 61,203
State of Hawaii
Expires December 31, 2015

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-4

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE A FEE SIMPLE INTEREST AND A TEMPORARY CONSTRUCTION EASEMENT IN THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 1-2-009-011 and 1-2-009-098 (PORTIONS) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID FEE SIMPLE INTEREST AND TEMPORARY CONSTRUCTION EASEMENT BY EMINENT DOMAIN

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property; and

WHEREAS, the acquisition by eminent domain in fee simple and temporary construction easement of the real property identified as Tax Map Keys (TMKS) 1-2-009-011 and 1-2-009-098 (Portions) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That written notification to the City Council is approved, for the acquisition by eminent domain in fee simple of the real property and temporary construction easement identified as TMKS 1-2-009-011 and 1-2-009-098 (Portions); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the

attached resolution marked as Exhibit B, authorizing acquisition by eminent domain in fee simple and temporary construction easement of the above-identified real property.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Exhibit A – Legal description of TMKS 1-2-009-011 and 1-2-009-098 (Portions)
Exhibit B – Resolution No. 2016-__, Authorizing the Acquisition of a Fee Simple Interest and a Temporary Construction Easement in the Real Property Identified as TMKS 1-2-009-011 and 1-2-009-098 (Portions) by Eminent Domain

Board Chair

ATTEST:

Board Administrator

HONOLULU RAIL TRANSIT PROJECT

PARCEL 400-A

Being portions of Lot as shown on DPP 1969/SUB-231,
 Lots 7 and 9, Block 9 of "Kapiolani Tract",
 Being portions of Grant 3420 to Curtis P. Iaukea,
 Trustee for his Majesty Kalakaua and
 Land Patent 8194, Land Commission Award 6450,
 Apana 1 to Kaunuchua no Moehonua

Situate at Mokauea, Kalihi, Honolulu, Oahu, Hawaii

Beginning at the Southeast corner of this lot, being the North corner of Parcel 400-B of the Honolulu Rail Transit Project, being also along the South side of Dillingham Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 6,189.98 feet North and 11,261.27 feet West thence running by azimuths measured clockwise from true South:

1. 42° 20' 10.90 feet along Parcel 400-B of the Honolulu Rail Transit Project;
2. 132° 20' 98.14 feet along Remainder of Parcel 400-A of Honolulu Rail Transit Project;
3. 42° 20' 2.00 feet along same;
4. 132° 20' 10.57 feet along same;

Thence along same, on a curve to the left with a radius of 2,221.02 feet, the chord azimuth and distance being:

5. 130° 49' 18" 117.18 feet;

Thence along same, on a curve to the left with a radius of 30.00 feet, the chord azimuth and distance being:

6. 115° 06' 12" 14.73 feet;



801 SUMNER STREET, SUITE 821
 HONOLULU, HAWAII 96817-9031

AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS
 1871 WILI PA LOOP, SUITE A
 WAILUKU, MAUI, HAWAII 96793

100 PALIARI STREET, SUITE 207
 HILO, HAWAII 96720

Thence along the South side of Puuhale Road, on a curve to the right with a radius of 50.00 feet, the chord azimuth and distance being:

- 7. 288° 52' 31.59 feet;
- 8. 307° 17' 9.02 feet along the West side of Dillingham Boulevard;

Thence along same, on a curve to the right with a radius of 1,797.29 feet, the chord azimuth and distance being:

- 9. 309° 48' 30" 158.36 feet;
- 10. 312° 20' 43.75 feet along same to the point of beginning and containing an area of 2,297 Square Feet.

Subject, However, to Easement 1 for sidewalk purposes.

AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:



Erik S. Kaneshiro exp 4/16

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally subdivided lot.

Honolulu, Hawaii
July 16, 2015

TMK: (1) 1-2-009; 011
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 400-A.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

501 BLUNDER STREET, SUITE 221
HONOLULU, HAWAII 96817-2021

CIVIL ENGINEERS - SURVEYORS
1571 WILIPA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PALIARI STREET, SUITE 213
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

PARCEL 400-B

Being a portion of Lot 11, Block 9 of "Kapiolani Tract"
Being a portion of Land Patent 8194, Land Commission Award 6450,
Apana 1 to Kaunuohua no Moehonua

Situate at Mokauea, Kalihi, Honolulu, Oahu, Hawaii

Beginning at the North corner of this lot, being the Southeast corner of Parcel 400-A of the Honolulu Rail Transit Project, being also along the South side of Dillingham Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 6,189.98 feet North and 11,261.27 feet West thence running by azimuths measured clockwise from true South:

- | | | | | |
|----|----------|-------|------|--|
| 1. | 312° 20' | 50.00 | feet | along the South side of
Dillingham Boulevard; |
| 2. | 42° 20' | 12.90 | feet | along Parcel 401-A of the
Honolulu Rail Transit Project; |
| 3. | 132° 20' | 9.76 | feet | along Remainder of Parcel 400-
B of the Honolulu Rail Transit
Project; |
| 4. | 222° 20' | 2.00 | feet | along same; |
| 5. | 132° 20' | 40.24 | feet | along same; |



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

CIVIL ENGINEERS • SURVEYORS

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUAI STREET, SUITE 207
HILO, HAWAII 96720

6. 222° 20' 10.90 feet along Parcel 400-A of the Honolulu Rail Transit Project, to the point of beginning and containing an area of 564 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro *ESK/16*

ERIK S. KANESHIRO

Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally subdivided lot.

Honolulu, Hawaii
July 16, 2015

TMK: (1) 1-2-009: 098
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HONOLULU RAIL TRANSIT PROJECT

**EASEMENT A
(FOR TEMPORARY CONSTRUCTION PURPOSES)**

Affecting Remainder of Parcel 400-A
of the Honolulu Rail Transit Project
Being portions of Lot as shown on DPP 1969/SUB-231,
Lots 7 and 9, Block 9 of "Kapiolani Tract",
Being portions of Grant 3420 to Curtis P. Iaukea,
Trustee for his Majesty Kalakaua and
Land Patent 8194, Land Commission Award 6450,
Apana 1 to Kaunuohua no Moehonua

Situate at Mokauea, Kalihi, Honolulu, Oahu, Hawaii

Beginning at the Northwest corner of this easement, being an azimuth and distance of $220^{\circ}37' 33.95$ feet from the Northwest corner of Remainder of Parcel 400-A of the Honolulu Rail Transit Project, being also along the Southeast side of Puuhale Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 6,319.06 feet North and 11,490.68 feet West thence running by azimuths measured clockwise from true South:

Along the Southeast side of Puuhale Road, on a curve to the right with a radius of 50.00 feet, the chord azimuth and distance being:

1. $245^{\circ} 32'$ 42.13 feet;

Thence along Parcel 400-A of the Honolulu Rail Transit Project, on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being:

2. $295^{\circ} 06' 12''$ 14.73 feet;

Thence along same, on a curve to the right with a radius of 2,221.02 feet, the chord azimuth and distance being:

3. $310^{\circ} 49' 18''$ 117.18 feet;



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

CIVIL ENGINEERS • SURVEYORS
1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUJAH STREET, SUITE 207
HILO, HAWAII 96720

- 4. 312° 20' 10.57 feet along same;
- 5. 42° 20' 4.00 feet along remainder of Remainder of Parcel 400-A;
- 6. 131° 50' 56.93 feet along same;
- 7. 42° 20' 26.18 feet along same;
- 8. 132° 20' 6.14 feet along same;
- 9. 222° 20' 3.83 feet along same;
- 10. 132° 20' 18.22 feet along same;
- 11. 222° 20' 21.73 feet along same;
- 12. 129° 50' 48.81 feet along same;
- 13. 42° 20' 6.53 feet along same;
- 14. 132° 20' 8.02 feet along same;
- 15. 42° 20' 9.18 feet along same;
- 16. 132° 20' 8.68 feet along same;
- 17. 42° 20' 16.53 feet along same;

Thence along same, on a curve to the right with a radius of 5.00 feet, the chord azimuth and distance being:

- 18. 80° 44' 30" 6.21 feet;



19. 119° 09'

7.98 feet along same, to the point of beginning and containing an area of 1,551 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro exp 04/16

ERIK S. KANESHIRO

Licensed Professional Land Surveyor

Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally designated easement.

Honolulu, Hawaii

July 16, 2015

TMK: (1) 1-2-009: 011

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HONOLULU RAIL TRANSIT PROJECT

**EASEMENT B
(FOR TEMPORARY CONSTRUCTION PURPOSES)**

Affecting Remainder of Parcel 400-B
of the Honolulu Rail Transit Project
Being a portion of Lot 11, Block 9 of "Kapiolani Tract"
Being a portion of Land Patent 8194,
Land Commission Award 6450, Apana 1 to Kaunuohua for Moehonua

Situate at Mokauea, Kalihi, Honolulu, Oahu, Hawaii

Beginning at the Southeast corner of this easement, being the Southwest corner of Parcel 400-B of the Honolulu Rail Transit Project, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 6,146.77 feet North and 11,232.99 feet West thence running by azimuths measured clockwise from true South:

1. 42° 20' 4.00 feet along Remainder of Parcel 401-A of the Honolulu Rail Transit Project;
2. 132° 20' 9.76 feet along remainder of Remainder of Parcel 400-B of the Honolulu Rail Transit Project;
3. 222° 20' 4.00 feet along same,



AUSTIN, TBSUTSUMI & ASSOCIATES, INC.

601 SUMNER STREET, SUITE 621
HONOLULU, HAWAII 96817-5031

CIVIL ENGINEERS • SURVEYORS
1871 WILPA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PALUANI STREET, SUITE 207
HILO, HAWAII 96720

4. 312° 20'

9.76 feet along Parcel 400-B of the Honolulu Rail Transit Project, to the point of beginning and containing an area of 39 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro EX-04/16

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally designated easement.

Honolulu, Hawaii
July 16, 2015

TMK: (1) 1-2-009: 098
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AUSTIN, TSUTSUMI & ASSOCIATES, INC.

801 SUMNER STREET, SUITE 821
HONOLULU, HAWAII 96817-8031

CIVIL ENGINEERS • SURVEYORS
1471 WELI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PALIARI STREET, SUITE 213
HILO, HAWAII 96720

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-__

**AUTHORIZING THE ACQUISITION OF A FEE SIMPLE INTEREST AND
TEMPORARY CONSTRUCTION EASEMENT IN THE REAL PROPERTY
IDENTIFIED AS TAX MAP KEYS 1-2-009-011 and 1-2-009-098 (PORTIONS) BY
EMINENT DOMAIN**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain. . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, the City Council approved or did not object to the acquisition of the real property identified as Tax Map Keys (TMKS) 1-2-009-011 and 1-2-009-098 (Portions) by eminent domain in fee simple and temporary construction easement after written notification by HART; and

WHEREAS, the acquisition by eminent domain in fee simple and temporary construction easement of the above- identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That acquisition by eminent domain in fee simple and temporary construction easement of the real property identified as TMKS 1-2-009-011 and 1-2-009-098 (Portions) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of the above-identified property by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of the above-identified property by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and

- 4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and
- 5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on _____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal Description of TMKS 1-2-009-011 and 1-2-009-098 (Portions)

HONOLULU RAIL TRANSIT PROJECT

PARCEL 400-A

Being portions of Lot as shown on DPP 1969/SUB-231,
 Lots 7 and 9, Block 9 of "Kapiolani Tract",
 Being portions of Grant 3420 to Curtis P. Iaukea,
 Trustee for his Majesty Kalakaua and
 Land Patent 8194, Land Commission Award 6450,
 Apana 1 to Kaunuchua no Moehonua

Situate at Mokauea, Kalihi, Honolulu, Oahu, Hawaii

Beginning at the Southeast corner of this lot, being the North corner of Parcel 400-B of the Honolulu Rail Transit Project, being also along the South side of Dillingham Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 6,189.98 feet North and 11,261.27 feet West thence running by azimuths measured clockwise from true South:

1. 42° 20' 10.90 feet along Parcel 400-B of the Honolulu Rail Transit Project;
2. 132° 20' 98.14 feet along Remainder of Parcel 400-A of Honolulu Rail Transit Project;
3. 42° 20' 2.00 feet along same;
4. 132° 20' 10.57 feet along same;

Thence along same, on a curve to the left with a radius of 2,221.02 feet, the chord azimuth and distance being:

5. 130° 49' 18" 117.18 feet;

Thence along same, on a curve to the left with a radius of 30.00 feet, the chord azimuth and distance being:

6. 115° 06' 12" 14.73 feet;



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

501 SUMNER STREET, SUITE 821
 HONOLULU, HAWAII 96817-5031

CIVIL ENGINEERS • SURVEYORS
 1871 WILI PA LOOP, SUITE A
 WALLING, MAUI, HAWAII 96793

100 PALAH STREET, SUITE 207
 HILO, HAWAII 96720

Thence along the South side of Puuhale Road, on a curve to the right with a radius of 50.00 feet, the chord azimuth and distance being:

7. 288° 52' 31.59 feet;

8. 307° 17' 9.02 feet along the West side of Dillingham Boulevard;

Thence along same, on a curve to the right with a radius of 1,797.29 feet, the chord azimuth and distance being:

9. 309° 48' 30" 158.36 feet;

10. 312° 20' 43.75 feet along same to the point of beginning and containing an area of 2,297 Square Feet.

Subject, However, to Easement 1 for sidewalk purposes.

AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:



Erik S. Kaneshiro exp 4/16

ERIK S. KANESHIRO

Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally subdivided lot.

Honolulu, Hawaii
July 16, 2015

TMK: (1) 1-2-009: 011
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AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS - SURVEYORS
1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

501 SUMNER STREET, SUITE 201
HONOLULU, HAWAII 96817-3031

100 PALIARI STREET, SUITE 210
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

PARCEL 400-B

Being a portion of Lot 11, Block 9 of "Kapiolani Tract"
Being a portion of Land Patent 8194, Land Commission Award 6450,
Apana 1 to Kaunuohua no Moehonua

Situate at Mokauea, Kalihi, Honolulu, Oahu, Hawaii

Beginning at the North corner of this lot, being the Southeast corner of Parcel 400-A of the Honolulu Rail Transit Project, being also along the South side of Dillingham Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 6,189.98 feet North and 11,261.27 feet West thence running by azimuths measured clockwise from true South:

- | | | | | |
|----|----------|-------|------|--|
| 1. | 312° 20' | 50.00 | feet | along the South side of
Dillingham Boulevard; |
| 2. | 42° 20' | 12.90 | feet | along Parcel 401-A of the
Honolulu Rail Transit Project; |
| 3. | 132° 20' | 9.76 | feet | along Remainder of Parcel 400-
B of the Honolulu Rail Transit
Project; |
| 4. | 222° 20' | 2.00 | feet | along same; |
| 5. | 132° 20' | 40.24 | feet | along same; |



6. 222° 20' 10.90 feet along Parcel 400-A of the Honolulu Rail Transit Project, to the point of beginning and containing an area of 564 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro *EXP 07/16*

ERIK S. KANESHIRO

Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally subdivided lot.

Honolulu, Hawaii
July 16, 2015

TMK: (1) 1-2-009: 098
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HONOLULU RAIL TRANSIT PROJECT

**EASEMENT A
(FOR TEMPORARY CONSTRUCTION PURPOSES)**

Affecting Remainder of Parcel 400-A
of the Honolulu Rail Transit Project
Being portions of Lot as shown on DPP 1969/SUB-231,
Lots 7 and 9, Block 9 of "Kapiolani Tract",
Being portions of Grant 3420 to Curtis P. Iaukea,
Trustee for his Majesty Kalakaua and
Land Patent 8194, Land Commission Award 6450,
Apana 1 to Kaunuohua no Moehonua

Situate at Mokauea, Kalihi, Honolulu, Oahu, Hawaii

Beginning at the Northwest corner of this easement, being an azimuth and distance of 220°37' 33.95 feet from the Northwest corner of Remainder of Parcel 400-A of the Honolulu Rail Transit Project, being also along the Southeast side of Puuhale Road, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 6,319.06 feet North and 11,490.68 feet West thence running by azimuths measured clockwise from true South:

Along the Southeast side of Puuhale Road, on a curve to the right with a radius of 50.00 feet, the chord azimuth and distance being:

1. 245° 32' 42.13 feet;

Thence along Parcel 400-A of the Honolulu Rail Transit Project, on a curve to the right with a radius of 30.00 feet, the chord azimuth and distance being:

2. 295° 06' 12" 14.73 feet;

Thence along same, on a curve to the right with a radius of 2,221.02 feet, the chord azimuth and distance being:

3. 310° 49' 18" 117.18 feet;



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96783

100 PAUHI STREET, SUITE 207
HILO, HAWAII 96720

- 4. 312° 20' 10.57 feet along same;
- 5. 42° 20' 4.00 feet along remainder of Remainder of Parcel 400-A;
- 6. 131° 50' 56.93 feet along same;
- 7. 42° 20' 26.18 feet along same;
- 8. 132° 20' 6.14 feet along same;
- 9. 222° 20' 3.83 feet along same;
- 10. 132° 20' 18.22 feet along same;
- 11. 222° 20' 21.73 feet along same;
- 12. 129° 50' 48.81 feet along same;
- 13. 42° 20' 6.53 feet along same;
- 14. 132° 20' 8.02 feet along same;
- 15. 42° 20' 9.18 feet along same;
- 16. 132° 20' 8.68 feet along same;
- 17. 42° 20' 16.53 feet along same;

Thence along same, on a curve to the right with a radius of 5.00 feet, the chord azimuth and distance being:

- 18. 80° 44' 30" 6.21 feet;



19. 119° 09'

7.98 feet along same, to the point of beginning and containing an area of 1,551 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro exp 04/16

ERIK S. KANESHIRO

Licensed Professional Land Surveyor

Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally designated easement.

Honolulu, Hawaii
July 16, 2015

TMK: (1) 1-2-009: 011

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HONOLULU RAIL TRANSIT PROJECT

**EASEMENT B
(FOR TEMPORARY CONSTRUCTION PURPOSES)**

Affecting Remainder of Parcel 400-B
of the Honolulu Rail Transit Project
Being a portion of Lot 11, Block 9 of "Kapiolani Tract"
Being a portion of Land Patent 8194,
Land Commission Award 6450, Apana 1 to Kaunuohua for Moehonua

Situate at Mokauea, Kalihi, Honolulu, Oahu, Hawaii

Beginning at the Southeast corner of this easement, being the Southwest corner of Parcel 400-B of the Honolulu Rail Transit Project, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA" being 6,146.77 feet North and 11,232.99 feet West thence running by azimuths measured clockwise from true South:

- | | | | | |
|----|----------|------|------|--|
| 1. | 42° 20' | 4.00 | feet | along Remainder of Parcel 401-A of the Honolulu Rail Transit Project; |
| 2. | 132° 20' | 9.76 | feet | along remainder of Remainder of Parcel 400-B of the Honolulu Rail Transit Project; |
| 3. | 222° 20' | 4.00 | feet | along same, |



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

601 SUMNER STREET, SUITE 821
HONOLULU, HAWAII 96817-5031

1571 WELFA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PALMAH STREET, SUITE 207
HILO, HAWAII 96720

4. 312° 20'

9.76 feet along Parcel 400-B of the Honolulu Rail Transit Project, to the point of beginning and containing an area of 39 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro EX-07/16

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally designated easement.

Honolulu, Hawaii
July 16, 2015

TMK: (1) 1-2-009: 098
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AUSTIN, TSUTSUMI & ASSOCIATES, INC.

501 SUMNER STREET, SUITE 221
HONOLULU, HAWAII 96817-5031

CIVIL ENGINEERS • SURVEYORS
1471 WILU PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PALIAMI STREET, SUITE 213
HILO, HAWAII 96720

Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2016-4 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE A FEE SIMPLE INTEREST AND TEMPORARY CONSTRUCTION EASEMENT IN THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 1-2-009-011 and 1-2-009-098 (PORTIONS) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN	STAFF CONTACT: Jesse Souki Morris Atta	DATE: 02/18/2016
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Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input checked="" type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input checked="" type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:

Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Keys 1-2-009-011 and 1-2-009-098 (Portions), and situated at 2043 Dillingham Boulevard, Honolulu, Hawaii 96819, which is required for road widening and temporary construction easement purposes for the Honolulu Rail Transit Project (HRTTP). This property, for which a 2,861 square-foot partial fee simple acquisition and 1,590 square-foot temporary construction easement is required, is on the critical path for successful completion of the City Center Section of the HRTTP. The property is owned by Blood Bank Real Property, Inc.

HART recommends use of eminent domain to acquire the property.

2. Background/Justification

This property (Tax Map Keys 1-2-009-011 and 1-2-009-098) was designated as needed for the HRTTP and identified in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the Owners were notified of HART's intent to acquire the property. An appraisal was conducted following URA guidelines, which took into consideration all site conditions and potential impacts.

- An appraisal report with an effective date of September 26, 2014 was conducted.
- A Letter of Offer dated January 23, 2015 was delivered.
- Owner has not provided any formal response to the Letter of Offer.
- Negotiations have become protracted and settlement does not appear likely.

This parcel is being referred to eminent domain in order to adhere to the project construction timeline. Access to this parcel is needed as soon as possible in order to avoid costly delays to the project schedule and timing. Negotiations with the Owner will continue during the eminent domain process.

3. Procurement Background

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the eminent domain of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the URA, FTA 5010.1D and Article XVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

There is no feasible alternative to avoid the above described impacts to the property.

8. Exhibits

Exhibit 1 – Letter of Offer dated January 23, 2015.

Exhibit 2 – Appraisal Summary prepared by Yamaguchi & Yamaguchi, Inc. with an effective appraisal date of September 26, 2014.

Certified and Recommended by:



Executive Director and CEO

2/11/16

Date

IN REPLY REFER TO:
CMS-AP00ROW-00690

R-1-1657
ALREADY
15 R
COR ROW
JH



HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

CERTIFIED MAIL/RETURN RECEIPT REQUESTED
7014 1200 0000 8348 2271

BOARD OF DIRECTORS

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January 23, 2015

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Carrie K.S. Okinaga, Esq

Kim-Anh T. Nguyen, M.D., Ph.D.
Blood Bank Real Property, Inc.
2043 Dillingham Boulevard
Honolulu, Hawaii 96819

Dear Dr. Nguyen:

Subject: Honolulu Rail Transit Project (H RTP)
2043 Dillingham Boulevard
Parcel 400: Tax Map Keys (TMKS) 1-2-009-011 and 1-2-009-098 (Portions)
Letter of Offer

This is a follow-up to previous correspondence regarding the appraisal and acquisition of the subject property. An appraisal of your property has been completed. Based on our findings as contained in the enclosed Statement of Just Compensation, Honolulu Authority for Rapid Transportation (HART) offers to purchase a 2,861 square-foot portion of your property, identified as TMKS 1-2-009-011 and 1-2-009-098 (shown colored in yellow on the enclosed map), in fee simple, free and clear of all liens and encumbrances, for a consideration of \$413,000 (Four Hundred Thirteen Thousand Dollars).

In addition, HART offers to purchase a 1,590 square-foot portion for a Temporary Construction Easement (TCE) adjacent to the aforementioned partial taking (shown colored in blue on the enclosed map), for a consideration of \$8,965 (Eight Thousand Nine Hundred Sixty-Five Dollars). The purpose of the TCE is to facilitate construction of the improvements within the right-of-way. Activities that may be performed within the TCE may include: demolition, grading, utilities, traffic items, paving, and sidewalk. These activities may involve the operation of equipment, movement of a work force on the described easement, and may include site security with temporary fencing. Construction within the TCE area would be limited to driveway and back of sidewalk connections to existing grades and surface restoration. The duration of the TCE will be six months, with a start date to be determined thru coordination with you and HART's contractor.

The total offer for acquiring both interests in your property is \$421,965 (Four Hundred Twenty-One Thousand Nine Hundred Sixty-Five Dollars).

Kim-Anh T. Nguyen, M.D., Ph.D.
Page 2
January 23, 2015

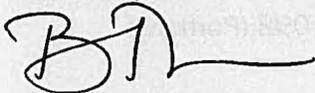
If this offer is acceptable, please sign the duplicate of this letter and the Consent to Enter and return them in the enclosed envelope by **February 23, 2015**. The remaining copies are for your files. Also enclosed for your information is the Appraisal Summary Statement and the General Acquisition & Relocation Information Brochure.

If we do not hear from you by **February 23, 2015**, this offer shall be considered rejected and HART will proceed to review options to acquire the subject property.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

Please contact Mr. Joseph Hastings at 294-5206 if you have any questions regarding this matter.

Sincerely,



fn Daniel A. Grabauskas
Executive Director and CEO

Enclosures

ACCEPTED:

BLOOD BANK REAL PROPERTY, INC.

By _____
Its

Print Name: _____

Date: _____



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

PROJECT
Honolulu Rail Transit Project

Parcel Designation: (1) 1-2-009-011
HART RW Parcel: 400
Owner: Blood Bank of Hawaii, Inc.
2043 Dillingham Boulevard
Honolulu, Hawaii 96819

Effective Date: September 26, 2014

AN APPRAISAL REPORT OF
The IMX-1 Commercial Mixed-Use Property
Partial Land Acquisition

CLIENT

Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation

PREPARER

Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA

DATE OF APPRAISAL

October 6, 2014

ONE KAPIOLANI BUILDING
600 Kapiolani Boulevard Suite 405 • Honolulu, Hawaii 9681
Bus: 808.533.8849 • Fax: 808-533-8088 • E-mail: appraisals@yamaguchiinc.com



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

October 6, 2014

Ms. Georgia Marquis
Director of Acquisition & Relocation Services
Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation
5762 Bolsa Ave., Suite 201
Huntington Beach, CA 92649

Re: Honolulu Rail Transit Project
HART RW Parcel 400
Parcel Designation: TMK (1) 1-2-009-011 and TMK (1) 1-2-009-098
2043 Dillingham Boulevard, Honolulu, Hawaii 96817

Dear Ms. Marquis,

At your request, we have appraised a real property interest for the above real estate. Our objective was to form one or more opinions about the market value for a 100% ownership interest in the subject property's fee simple estate assuming no liens or encumbrances other than normal covenants and restrictions of record.

The purpose of this appraisal report is to assist the Honolulu Authority for Rapid Transportation in the *Partial Acquisition and Easement Evaluation* for Eminent Domain acquisition proceedings of the subject property as part of the Honolulu Rail Transit Project.

As a preview, the subject property physically consists of two adjacent parcels 11 and 98 constituting 22,526 and 4,650 square feet respectively and is zoned IMX-1 Industrial Mixed-Use. Both parcels have unity of ownership, contiguity and unity of use therefore the larger parcel is identified as a combination of the two adjacent parcels with a total area of 27,176 square feet. Per our exterior observation and tax office records it is improved with a 33-year old, two story office building consisting of a 1st level covered parking area of 3,294 square feet, 1st level office 6,203 square feet and a 2nd level office of 9,520 square feet. These improvements are not included as part of our appraisal job scope.

The partial acquisition area along the property boundary frontages involving the corner of Dillingham Boulevard and Puuhale Road consists of 2,861 square feet. HART also requires a Temporary Construction Easement (TCE) identified as Easement A and Easement B that is situated inside of the partial acquisition area consisting of 1,590 square feet.

This valuation contains analyses, opinions, and conclusions along with market data and reasoning appropriate for the scope of work detailed later herein. It was prepared solely for the intended use and intended user(s) explicitly identified in the attached report. Unauthorized users do so at their own risk. The appraisal is communicated in the attached Appraisal report, and conforms to the version of the Uniform Standards of Professional Appraisal Practice (USPAP) in effect on this report's preparation date of October 6, 2014.

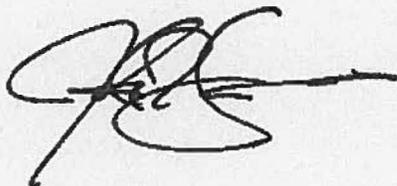
For purposes of this appraisal report the definition of market value from the fifth edition of the *Uniform Appraisal Standards for Federal Land Acquisitions* was utilized and is defined in the Market Value Criterion section of this report.

This letter is not an appraisal report hence it must not be removed from the attached 132-page report. If this letter is disjoined from the attached appraisal report, then the value opinions set forth in this letter are invalid because the analyses, opinions, and conclusions cannot be properly understood.

In general, valuation of the subject property involves no atypical issues. All value opinions are affected by all the information, extraordinary assumptions, hypotheses, general limiting conditions, facts, descriptions, and disclosures stated in the attached appraisal report. After careful consideration of all factors pertaining to and influencing value, the data and analysis thereof firmly supports the following final value opinion(s) for the subject property partial taking and temporary construction easement as of September 26, 2014:

\$ 3,831,000	<i>"As Is" Indicated Market Value of the Larger Parcel</i>
\$ 3,427,000	<i>"As Is" Indicated Market Value of the Remainder Parcel</i>
\$ 403,000	<i>"As Is" Indicated Market Value of the Partial Acquisition</i>
\$ 403,000	<i>"As Is" Indicated Market Value of the Partial Acquisition (Rounded)</i>
\$ 0	<i>Add: Total Severance Damages to the Remainder Property</i>
\$ 0	<i>Less: Special Benefits to the Remainder Property</i>
\$ 10,000	<i>Add: Contributory Value</i>
\$ 413,000	<i>Total Fair Market Value of the Partial Acquisition (Rounded)</i>
\$ 17,930	<i>Estimated Annual Rent Per Annum @ 8% for the TCE</i>
\$ 1,494.18	<i>Estimated Monthly Rent Per Annum @ 8% for the TCE</i>

Thank you for your business. Let us know how we may further serve you.



Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA
 President / CEO
 Certified General Appraiser
 Hawaii License CGA 31
 License Expiration Date: 12/31/2015

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-5

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-2-010-069 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property and easements to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property and easements; and

WHEREAS, the acquisition by eminent domain of the permanent easement over, on, and across the real property identified as Tax Map Key (TMK) 1-2-010-069 (Portion) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That written notification to the City Council is approved, for the acquisition by eminent domain of the permanent easement over, on, and across the real property identified as TMK 1-2-010-069 (Portion); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the attached resolution marked as Exhibit B, authorizing acquisition by eminent domain of said easement.

**ADOPTED by the Board of the Honolulu Authority for Rapid
Transportation on _____.**

Exhibit A – Legal description of TMK 1-2-010-069 (Portion)

**Exhibit B – Resolution No. 2016-___, Authorizing the Acquisition of Permanent Easement
Over, On, and Across the Real Property Identified as Tax Map
Key 1-2-010-069 (Portion) by Eminent Domain.**

Board Chair

ATTEST:

Board Administrator

Easement A
For Guideway Purposes
Affecting a Portion of Lots 24 and 26 in Block 7 of "Kapiolani Tract"
Being a Portion of Royal Patent 8194, Land Commission Award 6450,
Apana 1 to Kaunuohua no Moehonua

SITUATE AT MOKAUEA, KALIHI, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the South corner of this easement, being the West corner of a Portion of Lot 30 in Block 7 of "Kapiolani Tract", along the Northeast side of Dillingham Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA", being 4,457.78 feet South and 5,032.76 feet West, thence running by azimuths measured clockwise from true South:

- 1. 132° 20' 86.12 feet along the Northeast side of Dillingham Boulevard;
- 2. 222° 20' 9.17 feet;
- 3. 312° 20' 86.12 feet;
- 4. 42° 20' 9.17 feet along a Portion of Lot 30 to the point of beginning and containing an area of 790 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki

Ryan M. Suzuki Exp: 4/30/16
Licensed Professional Land Surveyor
Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
August 11, 2015

Note: This description is for exhibit purposes and does not purport a legally subdivided easement.



Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-__

**AUTHORIZING THE ACQUISITION OF PERMANENT EASEMENT OVER, ON, AND
ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY
1-2-010-069 (PORTION) BY EMINENT DOMAIN**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, the City Council approved or did not object to the acquisition of the permanent easement over, on, and across the real property identified as Tax Map Key (TMK) 1-2-010-069 (Portion) by eminent domain after written notification by HART; and

WHEREAS, the acquisition by eminent domain of said permanent easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That acquisition by eminent domain of the permanent easement over, on, and across the real property identified as TMK 1-2-010-069 (Portion) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of said easement by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of said easement by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and
4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and

Easement A
For Guideway Purposes
Affecting a Portion of Lots 24 and 26 in Block 7 of "Kapiolani Tract"
Being a Portion of Royal Patent 8194, Land Commission Award 6450,
Apana 1 to Kaunuohua no Moehonua

SITUATE AT MOKAUEA, KALIHI, HONOLULU, ISLAND OF OAHU, HAWAII

Beginning at the South corner of this easement, being the West corner of a Portion of Lot 30 in Block 7 of "Kapiolani Tract", along the Northeast side of Dillingham Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "MOKAUEA", being 4,457.78 feet South and 5,032.76 feet West, thence running by azimuths measured clockwise from true South:

- 1. 132° 20' 86.12 feet along the Northeast side of Dillingham Boulevard;
- 2. 222° 20' 9.17 feet;
- 3. 312° 20' 86.12 feet;
- 4. 42° 20' 9.17 feet along a Portion of Lot 30 to the point of beginning and containing an area of 790 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:

Ryan M. Suzuki
 Ryan M. Suzuki Exp: 4/30/16
 Licensed Professional Land Surveyor
 Certificate Number 10059

2024 North King Street, Suite 200
Honolulu, Hawaii 96819
August 11, 2015

Note: This description is for exhibit purposes and does not purport a legally subdivided easement.



Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2016-5 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-2-010-069 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN	STAFF CONTACT: Jesse Souki Morris Atta	DATE: 02/18/2016
---	---	----------------------------

Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input checked="" type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input checked="" type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:

Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Key 1-2-010-069 (Portion), and situated at 1930 Dillingham Boulevard, Honolulu, HI 96819, which is required for permanent easement purposes for the Honolulu Rail Transit Project (HRTTP). This property, for which 790 square-foot permanent easement acquisition is required, is on the critical path for successful completion of the City Center Section of the HRTTP. The property is owned by RPTeixeira, LLC.

HART recommends use of eminent domain to acquire the property.

2. Background/Justification

This property (Tax Map Key 1-2-010-069) was designated as needed for the HRTTP and identified in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the Owners were notified of HART's intent to acquire the property. An appraisal was conducted following URA guidelines, which took into consideration all site conditions and potential impacts.

- An appraisal report with an effective date of May 6, 2015 was prepared.
- A Letter of Offer dated June 23, 2015 was delivered.
- First 10-Day Letter dated January 6, 2016 sent via certified mail.
- Onsite Meeting held with owner and tenants on January 26, 2016 to address their concerns.
- Owner has not provided any formal response to the Letter of Offer.
- Agent continues to communicate with owner's attorney and negotiations are ongoing.

This parcel is being referred to eminent domain in order to adhere to the project construction timeline. Access to this parcel is needed as soon as possible in order to avoid costly delays to the project schedule and timing. Negotiations with the Owner will continue during the eminent domain process.

3. Procurement Background

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the eminent domain of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the URA, FTA 5010.1D and Article SVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

There is no feasible alternative to avoid the above described impacts to the property.

8. Exhibits

Exhibit 1 – Letter of Offer dated June 23, 2015.

Exhibit 2 – Appraisal Summary prepared by Yamaguchi & Yamaguchi, Inc. with an effective appraisal date of May 6, 2015.

Certified and Recommended by:



Executive Director and CEO

2/11/16

Date



IN REPLY REFER TO:
CMS-AP00ROW-00918

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

HAND-DELIVERED

BOARD OF DIRECTORS

June 23, 2015

Ivan M. Lui-Kwan, Esq.
CHAIR

Donald G. Horner
VICE CHAIR

Ms. Beverly Hiramatsu
RPTEIXEIRA, LLC
1800 Davies Pacific Center
841 Bishop Street
Honolulu, Hawaii 96813

George I. Atta
Robert Bunda
Michael D. Formby
Ford N. Fuchigami
William "Buzz" Hong
Kestie W.K. Hui
Damien T.K. Kim
Carrie K.S. Okinaga, Esq.

Dear Ms. Hiramatsu:

**Subject: Honolulu Rail Transit Project (H RTP)
1930 Dillingham Boulevard
Parcel 403C: Tax Map Key (TMK) 1-2-010-069 (Partial)
Letter of Offer**

The Honolulu Authority for Rapid Transportation (HART) is constructing the H RTP. As part of the H RTP, HART will need to acquire a portion of your property. An appraisal of the property identified as TMK 1-2-010-069 has been completed to determine just compensation.

A review of public records indicates that you are the Owner of Record of the property HART is seeking to acquire for this Project. Based on our findings as contained in the enclosed Statement of Just Compensation, HART offers to purchase a portion of your property, a total of 790 square feet, for permanent easement purposes, for the total consideration of **\$124,000** (One Hundred Twenty-Four Thousand Dollars), as shown colored in yellow on the enclosed map.

The total offer for acquiring the interest in your property is **\$124,000** (One Hundred Twenty-Four Thousand Dollars). Costs incidental to closing escrow for this transaction will be paid by HART except prorated costs such as taxes and insurance.

The amount of offer is predicated on the assumption that there exists no hazardous substance, product, or waste on the subject property. Please be advised that the amount offered is subject to completion of an environmental site assessment by HART, and the cost to remediate any identified findings may affect the valuation of the subject property.

If this offer is acceptable, please sign the duplicate of this letter and return it in the enclosed envelope by **July 23, 2015**. The remaining copy is for your file. Enclosed for your information are the Appraisal Summary Statement and General Acquisition & Relocation Information Brochure. Also enclosed is a draft Possession and Use Agreement for your review, consideration, and for

Ms. Beverly Hiramatsu
Page 2
June 23, 2015

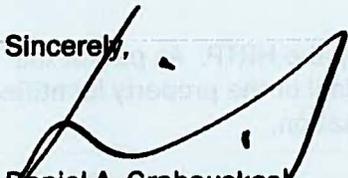
further discussion with your acquisition agent. The Possession and Use Agreement is intended to provide you early access to most of the purchase price of this acquisition subject to HART being provided access to the portion of your property required for construction of the H RTP with minimal risk to the Project. Under this agreement, your rights to the full just compensation amount are fully reserved and enforceable.

It is the desire of HART to acquire private property through voluntary purchase if possible. While HART has the power of eminent domain, HART has not sought the authority nor made any decision to exercise the power of eminent domain to acquire your property at this time.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

HART has retained the services of Paragon Partners Ltd to assist you with the acquisition process. Please contact Mr. Jeremy Marlar at 536-5900 if you have any questions or to discuss this matter further.

Sincerely,


Daniel A. Grabauskas
Executive Director and CEO

Enclosures

ACCEPTED:

RPTEIXEIRA, LLC

By _____
Its

Print Name: _____

Dated: _____



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

PROJECT

Honolulu Rail Transit Project

Parcel Designation: (1) 1-2-010-069

HART RW Parcel: 403C

Owner: RPTeixeira LLC

1930 Dillingham Boulevard

Honolulu, Hawaii 96819

Effective Date: May 6, 2015

AN APPRAISAL REPORT OF

**The BMX-3 Community Business Mixed-Use Property
Permanent Easement Acquisition**

CLIENT

Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation

PREPARER

Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA

ONE KAPIOLANI BUILDING

600 Kapiolani Boulevard Suite 405 • Honolulu, Hawaii 96813

Bus: 808.533.8849 • Fax: 808-533-8088 • E-mail: appraisals@yamaguchiinc.com



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

May 7, 2014

Ms. Georgia Marques
Project Manager
Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation
5762 Bolsa Ave., Suite 201
Huntington Beach, CA 92649

Re: Honolulu Rail Transit Project
Permanent Easement Acquisition
Parcel Designation: 1-2-002-010-969; 9,300 square feet
HART RW Parcel 403C
1930 Dillingham Boulevard
Honolulu, Hawaii 96819

Dear Mr. Marques,

At your request, we have appraised a real property interest for the above real estate. Our objective was to form one opinion about the market value for the Permanent Easement Acquisition on the subject property's fee simple estate assuming no liens or encumbrances other than normal covenants and restrictions of record.

The purpose of this appraisal report is to assist the Honolulu Authority for Rapid Transportation in the valuation of a permanent easement for Eminent Domain acquisition proceedings on the subject property as part of the Honolulu Rail Transit Project.

As a preview, the subject property identified as the "Larger Parcel" physically consists of a rectangular, non-corner parcel constituting 9,300 square feet and is zoned BMX-3 Community Business Mixed Use. According to tax office records, the site is improved with a 49-year old retail store consisting of a residence of 3,600 square feet that is not included in our valuation.

This valuation contains analyses, opinions, and conclusions along with market data and reasoning appropriate for the scope of work detailed later herein. It was prepared solely for the intended use and intended user(s) explicitly identified in the attached report. Unauthorized users do so at their own risk. The appraisal is communicated in the attached Summary report, and conforms to the version of the Uniform Standards of Professional Appraisal Practice (USPAP) in effect on this report's preparation date of May 7, 2014.

For purposes of this appraisal report the definition of market value from the fifth edition of the *Uniform Appraisal Standards for Federal Land Acquisitions* was utilized and is defined in the Market Value Criterion section of this report.

This letter is not an appraisal report hence it must not be removed from the attached 121-page report. If this letter is disjoined from the attached appraisal report, then the value opinions set forth in this letter are invalid because the analyses, opinions, and conclusions cannot be properly understood.

In general, valuation of the subject property involves a few complex issues. All value opinions are affected by all the information, extraordinary assumptions, hypotheses, general limiting conditions, facts, descriptions, and disclosures stated in the attached appraisal report. After careful consideration of all factors pertaining to, and influencing value, the data and analysis thereof firmly supports the following final value opinion(s) for the *Partial Acquisition* as of May 6, 2015.

\$1,459,000	<i>"As Is" Indicated Market Value of the Larger Parcel (Rounded)</i>
\$ 124,000	<i>"As Is" Indicated Market Value of Permanent Easement (Rounded)</i>
\$ 0	<i>Add: Total Severance Damages to the Remainder Property</i>
\$ 0	<i>Less: Special Benefits to the Remainder Property</i>
\$ 0	<i>Add: Contributory Value</i>
\$ 124,000	<i>Total Fair Market Value of the Permanent Easement Acquisition (Rounded)</i>

Thank you for your business. Let us know how we may further serve you.



Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA
 President / CEO
 Certified General Appraiser
 Hawaii License CGA 31
 License Expiration Date: 12/31/2015

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-6

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE PERMANENT GUIDEWAY EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-5-007-028 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property and easements to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property and easements; and

WHEREAS, the acquisition by eminent domain of the permanent guideway easement over, on, and across the real property identified as Tax Map Key (TMK) 1-5-007-028 (Portion) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That written notification to the City Council is approved, for the acquisition by eminent domain of the permanent guideway easement over, on, and across the real property identified as TMK 1-5-007-028 (Portion); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the attached resolution marked as Exhibit B, authorizing acquisition by eminent domain of said easement.

ADOPTED by the Board of the Honolulu Authority for Rapid
Transportation on _____.

Exhibit A – Legal description of TMK 1-5-007-028 (Portion)

Exhibit B – Resolution No. 2016-___, Authorizing the Acquisition of Permanent Guideway
Easement Over, On, and Across the Real Property Identified as Tax Map
Key 1-5-007-028 (Portion) by Eminent Domain.

Board Chair

ATTEST:

Board Administrator

HONOLULU RAIL TRANSIT PROJECT

**EASEMENT C
(FOR GUIDEWAY PURPOSES)**

Affecting Lot 16 (Map 1) of
Land Court Consolidation 97

Situate at Kuwili, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, being the East corner of Lot 17 (Map 1) of Land Court Consolidation 97, being also along the Southwest side of Kaaahi Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 1,740.27 feet North and 5,734.08 feet West thence running by azimuths measured clockwise from true South:

- | | | | | |
|----|----------|-------|------|---|
| 1. | 326° 59' | 68.53 | feet | along the Southwest side of Kaaahi Street; |
| 2. | 61° 37' | 5.54 | feet | along Lot 15 (Map 1) of Land Court Consolidation 97; |
| 3. | 144° 16' | 68.16 | feet | along the remainder of Lot 16 (Map 1) of Land Court Consolidation 97; |
| 4. | 236° 59' | 8.76 | feet | along Lot 17 (Map 1) of Land Court Consolidation 97, to the point of beginning and containing an area of 487 Square Feet. |



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro 2/11/16

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally subdivided lot.

Honolulu, Hawaii
February 11, 2016

TMK: (1) 1-5-007: 028
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 439 - Easement C.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUHAHI STREET, SUITE 207
HILO, HAWAII 96720

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-__

**AUTHORIZING THE ACQUISITION OF PERMANENT GUIDEWAY EASEMENT
OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP
KEY 1-5-007-028 (PORTION) BY EMINENT DOMAIN**

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, the City Council approved or did not object to the acquisition of the permanent guideway easement over, on, and across the real property identified as Tax Map Key (TMK) 1-5-007-028 (Portion) by eminent domain after written notification by HART; and

WHEREAS, the acquisition by eminent domain of said permanent guideway easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That acquisition by eminent domain of the permanent guideway easement over, on, and across the real property identified as TMK 1-5-007-028 (Portion) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of said easement by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of said easement by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and
4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and

- 5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on

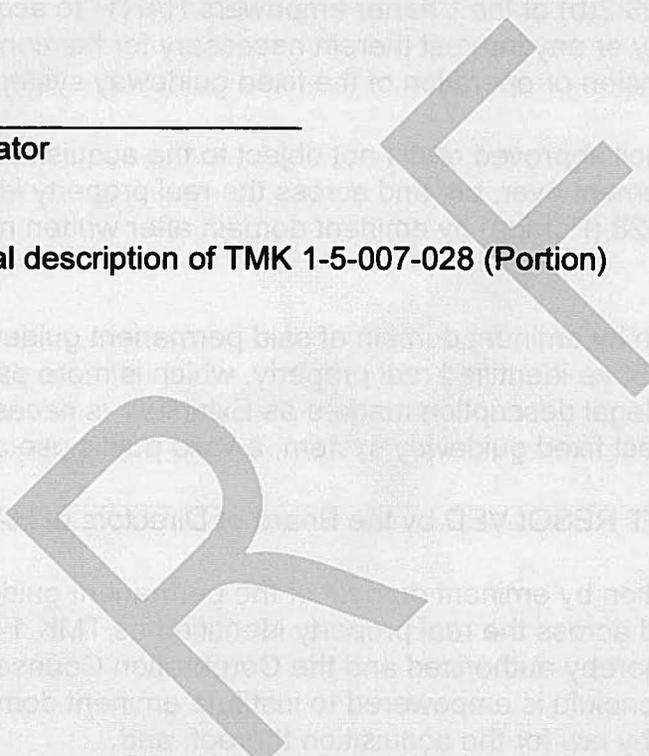
_____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMK 1-5-007-028 (Portion)



HONOLULU RAIL TRANSIT PROJECT

**EASEMENT C
(FOR GUIDEWAY PURPOSES)**

Affecting Lot 16 (Map 1) of
Land Court Consolidation 97

Situate at Kuwili, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, being the East corner of Lot 17 (Map 1) of Land Court Consolidation 97, being also along the Southwest side of Kaaahi Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 1,740.27 feet North and 5,734.08 feet West thence running by azimuths measured clockwise from true South:

1. 326° 59' 68.53 feet along the Southwest side of Kaaahi Street;
2. 61° 37' 5.54 feet along Lot 15 (Map 1) of Land Court Consolidation 97;
3. 144° 16' 68.16 feet along the remainder of Lot 16 (Map 1) of Land Court Consolidation 97;
4. 236° 59' 8.76 feet along Lot 17 (Map 1) of Land Court Consolidation 97, to the point of beginning and containing an area of 487 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro 2/11/16

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Note: This description is for exhibit purposes and does not purport a legally subdivided lot.

Honolulu, Hawaii
February 11, 2016

TMK: (1) 1-5-007: 028
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 439 - Easement C.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
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1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUHAHI STREET, SUITE 207
HILO, HAWAII 96720

Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2016-6 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE PERMANENT GUIDEWAY EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 1-5-007-028 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN	STAFF CONTACT: Jesse Souki Morris Atta	DATE: 02/18/2016
--	---	----------------------------

Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input checked="" type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input checked="" type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:

Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Key 1-5-007-028 (Portion), and situated at 513 Kaaahi Street, Honolulu HI, 96817 which is required for permanent guideway easement purposes for the Honolulu Rail Transit Project (H RTP). This property, for which 487 square-foot permanent guideway easement acquisition is required, is on the critical path for successful completion of the City Center Section of the H RTP. The property is owned Kathleen Yamauchi, Rodney S. Yamauchi, Carol K. Nako, Janice A. Yamauchi, Karen N. Hirata, and Daniel S. Yamauchi.

HART recommends use of eminent domain to acquire the property.

2. Background/Justification

This property (Tax Map Key 1-5-007-028) was designated as needed for the H RTP and identified in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the Owners were notified of HART's intent to acquire the property. An appraisal was conducted following URA guidelines, which took into consideration all site conditions and potential impacts.

- An appraisal report with an effective date of June 19, 2015 was prepared.
- A Letter of Offer dated September 1, 2015 was delivered.
- A counteroffer dated November 17, 2015 is currently under review by HART.

This parcel is being referred to eminent domain in order to adhere to the project construction timeline. Access to this parcel is needed as soon as possible in order to avoid costly delays to the project schedule and timing. Negotiations with the Owner will continue during the eminent domain process.

3. Procurement Background

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the eminent domain of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the URA, FTA 5010.1D and Article SVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

There is no feasible alternative to avoid the above described impacts to the property.

8. Exhibits

Exhibit 1 – Letter of Offer dated September 1, 2015.

Exhibit 2 – Appraisal Summary prepared by Yamaguchi & Yamaguchi, Inc. with an effective appraisal date of June 19, 2015.

Certified and Recommended by:



Executive Director and CEO

2/11/16

Date



IN REPLY REFER TO:

CMS-AP00ROW-01040

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

HAND-DELIVERED

BOARD OF DIRECTORS

September 1, 2015

Donald G. Horner
CHAIR

Damien T.K. Kim
VICE CHAIR

George I. Atta
Michael D. Formby
Ford N. Fuchlgami
Colleen Hanabusa
William "Buzz" Hong
Terrence M. Lee
Ivan M. Lui-Kwan

Ms. Kathleen Yamauchi
Mr. Rodney S. Yamauchi
Ms. Carol K. Nako
Ms. Janice A. Yamauchi
Ms. Karen N. Hirata
Mr. Daniel S. Yamauchi
513 Kaaahi Street
Honolulu, Hawaii 96817

Ladies and Gentlemen:

Subject: Honolulu Rail Transit Project (H RTP)
513 Kaaahi Street
Parcel 439: Tax Map Key (TMK) 1-5-007-028 (Portion)
Letter of Offer

This is a follow-up to previous correspondence regarding the acquisition of the subject property. The Honolulu Authority for Rapid Transportation (HART) is constructing the H RTP. As part of the H RTP, HART will need to acquire a portion of your property. An appraisal of the property identified as TMK 1-5-007-028 has been completed to determine just compensation.

A review of public records indicates that you are the Owner of Record of the property HART is seeking to acquire for this Project. Based on our findings as contained in the enclosed Statement of Just Compensation, HART offers to purchase a portion of your property, a total of 487 square feet, for a permanent easement for guideway purposes, for the total consideration of **\$66,000 (Sixty-Six Thousand Dollars)**, as shown colored in yellow on the enclosed map.

The total offer for acquiring the interest in your property is **\$66,000 (Sixty-Six Thousand Dollars)**. Costs incidental to closing escrow for this transaction will be paid by HART except prorated costs such as taxes and insurance.

The amount of offer is predicated on the assumption that there exists no hazardous substance, product, or waste on the subject property. Please be advised that the amount offered is subject to completion of an environmental site assessment by HART, and the cost to remediate any identified findings may affect the valuation of the subject property.

Ms. Kathleen Yamauchi
Mr. Rodney S. Yamauchi
Ms. Carol K. Nako
Ms. Janice A. Yamauchi
Ms. Karen N. Hirata
Mr. Daniel S. Yamauchi
Page 2
September 1, 2015

If this offer is acceptable, please sign the duplicate of this letter and return it in the enclosed envelope by **October 2, 2015**. The remaining copy is for your file. Enclosed for your information are the Appraisal Summary Statement and General Acquisition and Relocation Information Brochure. Also enclosed is a draft Possession and Use Agreement for your review, consideration, and for further discussion with your acquisition agent. The Possession and Use Agreement is intended to provide you early access to most of the purchase price of this acquisition subject to HART being provided access to the portion of your property required for construction of the H RTP with minimal risk to the Project. Under this agreement, your rights to the full just compensation amount are fully reserved and enforceable.

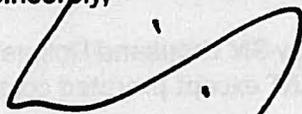
It is the desire of HART to acquire private property through voluntary purchase if possible. While HART has the power of eminent domain, HART has not sought the authority nor made any decision to exercise the power of eminent domain to acquire your property at this time.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

HART has retained the services of Paragon Partners Ltd to assist you with the acquisition process. Please contact Mr. Jeremy Marlar at jmarlar@paragon-partners.com or by telephone at 536-5900 if you have any questions regarding this matter.

This Agreement may be executed in several counterparts and all so executed shall constitute one Agreement, binding on all the parties hereto even though all the parties are not signatories to the original or the same counterpart.

Sincerely,



Daniel A. Grabauskas
Executive Director and CEO

Enclosures

Ms. Kathleen Yamauchi
Mr. Rodney S. Yamauchi
Ms. Carol K. Nako
Ms. Janice A. Yamauchi
Ms. Karen N. Hirata
Mr. Daniel S. Yamauchi
Page 3
September 1, 2015

ACCEPTED:

KATHLEEN YAMAUCHI

By _____
Its

Print Name: _____

Dated: _____

RODNEY S. YAMAUCHI

By _____
Its

Print Name: _____

Dated: _____

CAROL K. NAKO

By _____
Its

Print Name: _____

Dated: _____

KAREN N. HIRATA

By _____
Its

Print Name: _____

Dated: _____

JANICE A. YAMAUCHI

By _____
Its

Print Name: _____

Dated: _____

DANIEL S. YAMAUCHI

By _____
Its

Print Name: _____

Date: _____



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

PROJECT
Honolulu Rail Transit Project

Parcel Designation: (1) 1-5-007-028
HART RW Parcel: 439
Owner: Kathleen Yamauchi Trust, Etal
513 Kaaahi Street; Honolulu, Hawaii 96817

Effective Date: June 19, 2015

AN APPRAISAL REPORT OF THE
IMX-1 Industrial Mixed-Use Property
Permanent Easement Acquisition

CLIENT

Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation

PREPARER

Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA

DATE OF APPRAISAL

July 16, 2015

ONE KAPIOLANI BUILDING
600 Kapiolani Boulevard Suite 405 • Honolulu, Hawaii 96813
Bus: 808.533.8849 • Fax: 808-533-8808 • E-mail: appraisals@yamaguchiinc.com



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

July 16, 2015

Ms. Georgia Marquis
Director of Acquisition & Relocation Services
Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation
5762 Bolsa Ave., Suite 201
Huntington Beach, CA 92649

Re: Honolulu Rail Transit Project
Permanent Easement Acquisition
Parcel Designation: TMK: (1) 1-5-007-028; 6,455square feet
HART RW Parcel 439
513 Kaaahi Street
Honolulu, Hawaii 96817

Dear Ms. Marquis,

At your request, we have appraised a real property interest for the above real estate. Our objective was to form one opinion about the market value for the Permanent Easement Acquisition on the subject property's fee simple estate assuming no liens or encumbrances other than normal covenants and restrictions of record.

The purpose of this appraisal report is to assist the Honolulu Authority for Rapid Transportation in the valuation of a permanent easement for Eminent Domain acquisition proceedings of the subject property as part of the Honolulu Rail Transit Project.

As a preview, the subject property identified as the "Larger Parcel" physically consists of mostly rectangular parcel along the west side of Kaaahi Street constituting 6,455 square feet. According to tax office records, the site is improved with a 39-year old 5,280 square feet warehouse that includes a small office and mezzanine. These improvements are not included in our valuation.

The permanent easement acquisition identified as Easement C for guideway purposes area along the property boundary frontage involves a narrow strip consisting of approximately 487 square feet. The easement is approximately 8.76 feet wide from the northwest corner narrowing toward the southeast corner to approximately 5.54 feet wide.

This valuation contains analyses, opinions, and conclusions along with market data and reasoning appropriate for the scope of work detailed later herein. It was prepared solely for the intended use and intended user(s) explicitly identified in the attached report. Unauthorized users do so at their own risk. The appraisal is communicated in the attached Appraisal report, and conforms to the version of the Uniform Standards of Professional Appraisal Practice (USPAP) in effect on this report's preparation date of July 16, 2015.

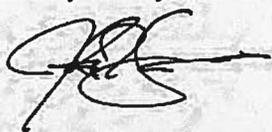
For purposes of this appraisal report, the definition of market value from the fifth edition of the *Uniform Appraisal Standards for Federal Land Acquisitions* was utilized and is defined in the Market Value Criterion section of this report.

This letter is not an appraisal report hence it must not be removed from the attached 120-page report. If this letter is disjoined from the attached appraisal report, then the value opinions set forth in this letter are invalid because the analyses, opinions, and conclusions cannot be properly understood.

In general, valuation of the subject property involves no atypical issues. All value opinions are affected by all the information, extraordinary assumptions, hypotheses, general limiting conditions, facts, descriptions, and disclosures stated in the attached appraisal report. After careful consideration of all factors pertaining to and influencing value, the data and analysis thereof firmly supports the following final value opinion(s) for the subject property permanent easement acquisition as of June 19, 2015:

\$ 974,000	<i>"As Is" Indicated Market Value of the Larger Parcel</i>
\$ 908,000	<i>"As Is" Indicated Market Value of the Remainder Parcel</i>
\$ 66,000	<i>"As Is" Indicated Market Value of the Permanent Easement Acquisition (90%)</i>
\$ 66,000	<i>"As Is" Indicated Market Value of the Permanent Easement Acquisition (Rounded)</i>
\$ 0	<i>Add: Total Severance Damages to the Remainder Property</i>
\$ 0	<i>Less: Special Benefits to the Remainder Property</i>
\$ 0	<i>Add: Contributory Value</i>
\$ 66,000	<i>Total Fair Market Value of the Permanent Easement Acquisition (Rounded)</i>

Thank you for your business. Let us know how we may further serve you.



Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA
 President / CEO
 Certified General Appraiser
 Hawaii License CGA 31
 License Expiration Date: 12/31/2015

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-7

APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 2-1-030-006, 2-1-030-007, 2-1-030-008, AND 2-1-030-009 (PORTIONS) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain ... all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, prior to such acquisition the Charter directs HART to submit a list of real property and easements to be acquired by eminent domain to the City Council; and

WHEREAS, the City Council may approve the acquisition by eminent domain or may object by adoption of a resolution within 45 days of the notification to acquire the real property and easements; and

WHEREAS, the acquisition by eminent domain of the permanent easement over, on, and across the real property identified as Tax Map Keys (TMKS) 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) and more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That written notification to the City Council is approved, for the acquisition by eminent domain of the permanent easement over, on, and across the real property identified as TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions); and
2. That in the event the City Council approves or does not object to the acquisition within 45 days of notification, then HART is authorized to publish in a daily newspaper at least three days prior to Board action, the attached resolution marked as Exhibit B, authorizing acquisition by eminent domain of said easement.

ADOPTED by the Board of the Honolulu Authority for Rapid
Transportation on _____.

Exhibit A – Legal description of TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008,
and 2-1-030-009 (Portions)

Exhibit B – Resolution No. 2016-___, Authorizing the Acquisition of Permanent Easement
Over, On, and Across the Real Property Identified as Tax Map Keys 2-1-
030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) by Eminent
Domain.

Board Chair

ATTEST:

Board Administrator

HONOLULU RAIL TRANSIT PROJECT

EASEMENT 6
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,569.51 feet South and 3,850.68 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 40.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 40.00 feet along same;
4. 230° 30' 5.25 feet along Lot 13, Block B-3, as delineated on Bishop Estate Map 1044A, to the point of beginning and containing an area of 210 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro EXP 04/16

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 006
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 6.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUJAH STREET, SUITE 207
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

**EASEMENT 7
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,600.38 feet South and 3,825.24 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 30.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 30.00 feet along same;
4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 158 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

A handwritten signature in black ink, appearing to read "Erik S. Kaneshiro", written over a horizontal line.

ERIK S. KANESHIRO

Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 007
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 7.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUAAHI STREET, SUITE 207
HILO, HAWAII 98720

HONOLULU RAIL TRANSIT PROJECT

EASEMENT 8
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the East corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,623.53 feet South and 3,806.16 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 28.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 28.00 feet along same;
- 4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 147 Square Feet.

AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:



Erik S. Kaneshiro *Exp 02/16*

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 008
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 8.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUAHI STREET, SUITE 207
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

**EASEMENT 9
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,645.13 feet South and 3,788.35 feet West thence running by azimuths measured clockwise from true South:

1. 320° 30' 26.00 feet along the Southwest side of Halekauwila Street;
2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
3. 140° 30' 26.00 feet along same;
4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 137 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro 2/8/16

ERIK S. KANESHIRO

Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 009

Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 9.docx



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HONOLULU, HAWAII 96817-5031

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WAILUKU, MAUI, HAWAII 96793

100 PAUAAH STREET, SUITE 207
HILO, HAWAII 96720

Honolulu Authority for Rapid Transportation

RESOLUTION NO. 2016-__

AUTHORIZING THE ACQUISITION OF PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 2-1-030-006, 2-1-030-007, 2-1-030-008, AND 2-1-030-009 (PORTIONS) BY EMINENT DOMAIN

WHEREAS, the Honolulu Authority for Rapid Transportation (HART) has been established pursuant to Article XVII of the Revised Charter of the City and County of Honolulu 1973, as amended (Charter); and

WHEREAS, Section 17-103.2(b) of the Charter empowers HART "to acquire by eminent domain . . . all real property or any interest therein necessary for the construction, maintenance, repair, extension or operation of the fixed guideway system;" and

WHEREAS, the City Council approved or did not object to the acquisition of the permanent easement over, on, and across the real property identified as Tax Map Keys (TMKS) 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) by eminent domain after written notification by HART; and

WHEREAS, the acquisition by eminent domain of said permanent easement over, on, and across the above-identified real property, which is more particularly described in the attached legal description marked as Exhibit A, is necessary for the Honolulu Rail Transit Project fixed guideway system, a valid public use and purpose;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That acquisition by eminent domain of the permanent easement over, on, and across the real property identified as TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions) is hereby authorized and the Corporation Counsel of the City and County of Honolulu is empowered to institute eminent domain proceedings as provided by law for the acquisition thereof; and
2. That the acquisition of said easement by eminent domain is determined and declared to be for a valid public use and purpose as aforesaid; and
3. That the acquisition of said easement by eminent domain is determined and declared to be necessary for the aforesaid public use and purpose; and
4. That in the process of said proceedings in eminent domain, the Corporation Counsel is authorized and empowered to negotiate terms of settlement, subject to the approval of HART and/or the Court before which such proceedings are commenced; and

- 5. That the Board Administrator be directed to transmit copies of this resolution to HART and the Department of the Corporation Counsel.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on

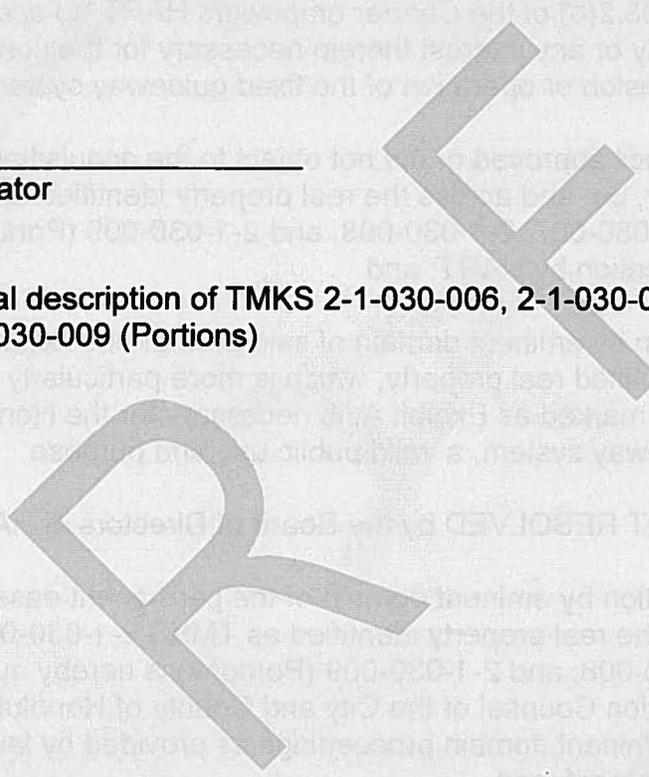
_____.

Board Chair

ATTEST:

Board Administrator

Exhibit A – Legal description of TMKS 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions)



HONOLULU RAIL TRANSIT PROJECT

EASEMENT 6
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,569.51 feet South and 3,850.68 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 40.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 40.00 feet along same;
- 4. 230° 30' 5.25 feet along Lot 13, Block B-3, as delineated on Bishop Estate Map 1044A, to the point of beginning and containing an area of 210 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

Erik S. Kaneshiro EXP 04/16

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 006
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 6.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

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HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUAAHI STREET, SUITE 207
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

EASEMENT 7
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,600.38 feet South and 3,825.24 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 30.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 30.00 feet along same;
- 4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 158 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

A handwritten signature in black ink, appearing to read "Erik S. Kaneshiro", written over a horizontal line.

ERIK S. KANESHIRO

Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 007
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AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96783

100 PAUJAH STREET, SUITE 207
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

**EASEMENT 8
(FOR GUIDEWAY PURPOSES)**

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the East corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,623.53 feet South and 3,806.16 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 28.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 28.00 feet along same;
- 4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 147 Square Feet.

AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:



Erik S. Kaneshiro *Exp 02/16*

ERIK S. KANESHIRO
Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 008
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 461 - Easement 8.docx



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

501 SUMNER STREET, SUITE 521
HONOLULU, HAWAII 96817-5031

1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUHAHI STREET, SUITE 207
HILO, HAWAII 96720

HONOLULU RAIL TRANSIT PROJECT

EASEMENT 9
(FOR GUIDEWAY PURPOSES)

Affecting a Portion of Royal Patent 7429,
Mahele Award 61 to B. Namakeha

Situate at Puuokapolei, Honuakaha, Honolulu, Oahu, Hawaii

Beginning at the North corner of this easement, along the Southwest side of Halekauwila Street, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 3,645.13 feet South and 3,788.35 feet West thence running by azimuths measured clockwise from true South:

- 1. 320° 30' 26.00 feet along the Southwest side of Halekauwila Street;
- 2. 50° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha;
- 3. 140° 30' 26.00 feet along same;
- 4. 230° 30' 5.25 feet along remainder of Royal Patent 7429, Mahele Award 61 to B. Namakeha, to the point of beginning and containing an area of 137 Square Feet.

AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:



Erik S. Kaneshiro [Signature]

ERIK S. KANESHIRO

Licensed Professional Land Surveyor
Certificate No. 9826

Honolulu, Hawaii
February 8, 2016

TMK: (1) 2-1-030: 009
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AUSTIN, TSUTSUMI & ASSOCIATES, INC.

CIVIL ENGINEERS • SURVEYORS

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1871 WILI PA LOOP, SUITE A
WAILUKU, MAUI, HAWAII 96793

100 PAUAAHI STREET, SUITE 207
HILO, HAWAII 96720

Honolulu Authority for Rapid Transportation

STAFF SUMMARY

TITLE: RESOLUTION NO. 2016-7 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE PERMANENT EASEMENT OVER, ON, AND ACROSS THE REAL PROPERTY IDENTIFIED AS TAX MAP KEYS 2-1-030-006, 2-1-030-007, 2-1-030-008, AND 2-1-030-009 (PORTIONS) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID EASEMENT BY EMINENT DOMAIN	STAFF CONTACT: Jesse Souki Morris Atta	DATE: 02/18/2016
--	---	----------------------------

Type:	Goal	Focus Area	Reference Notes
<input checked="" type="checkbox"/> Action/Approval	<input checked="" type="checkbox"/> Project Delivery	<input checked="" type="checkbox"/> Livability/Land Use	
<input type="checkbox"/> Information	<input type="checkbox"/> Service Delivery	<input type="checkbox"/> Partnerships	
<input type="checkbox"/> Follow-up	<input checked="" type="checkbox"/> Resource Stewardship	<input type="checkbox"/> Agency Admin.	

1. Purpose:

Review of Notification to City Council for condemnation of land for public use, identified as Tax Map Keys 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009 (Portions), and situated at 557 Halekauwila Street, 561 Halekauwila Street, 565 Halekauwila Street, and 569 Halekauwila Street, which is required for permanent easement purposes for the Honolulu Rail Transit Project (H RTP). This property, for which 652 square-foot permanent easement acquisition is required, is on the critical path for successful completion of the City Center Section of the H RTP. The property is owned by Hawaii State Federal Credit Union.

HART recommends use of eminent domain to acquire the property.

2. Background/Justification

This property (Tax Map Keys 2-1-030-006, 2-1-030-007, 2-1-030-008, and 2-1-030-009) was designated as needed for the H RTP and identified in the Final Environmental Impact Statement (FEIS). As required under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and FTA C5010.1D, the Owners were notified of HART's intent to acquire the property. An appraisal was conducted following URA guidelines, which took into consideration all site conditions and potential impacts.

- An appraisal report with an effective date of April 29, 2015 was conducted.
- A Letter of Offer dated September 15, 2015 was delivered.
- Agent is communicating with owner's attorney but Owner has not provided a counteroffer or response to our Letter of Offer.

This parcel is being referred to eminent domain in order to adhere to the project construction timeline. Access to this parcel is needed as soon as possible in order to avoid costly delays to the project schedule and timing. Negotiations with the Owner will continue during the eminent domain process.

3. Procurement Background

N/A

4. Financial/Budget Impact

The project budget includes an estimated cost for legal action associated with the eminent domain of the property.

5. Policy Impact

There is no policy impact since this action conforms to the requirement of the URA, FTA 5010.1D and Article SVII of the Charter of the City and County of Honolulu.

6. Public Involvement

N/A

7. Alternatives

There is no feasible alternative to avoid the above described impacts to the property.

8. Exhibits

Exhibit 1 – Letter of Offer dated September 15, 2015.

Exhibit 2 – Appraisal Summary prepared by Yamaguchi & Yamaguchi, Inc. with an effective appraisal date of April 29, 2015.

Certified and Recommended by:



Executive Director and CEO

2/11/16

Date

R2487



IN REPLY REFER TO:
CMS-APOOROW-01052

HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas
EXECUTIVE DIRECTOR AND CEO

HAND-DELIVERED

September 15, 2015

Daniel Grabauskas
Received
Daniel Grabauskas 9/22/15
Print Name Date

BOARD OF DIRECTORS

Donald G. Horner
CHAIR

Damien T.K. Kim
VICE CHAIR

George I. Atta
Michael D. Formby
Ford N. Fuchigami
Colleen Hanabusa
William "Buzz" Hong
Terrence M. Lee
Ivan M. Lui-Kwan

Ms. Cindy Ching
Hawaii State Federal Credit Union
565 Halekauwila Street
Honolulu, Hawaii 96813

Dear Ms. Ching:

Subject: Honolulu Rail Transit Project (H RTP)
557 Halekauwila Street; 561 Halekauwila Street; 565 Halekauwila Street;
569 Halekauwila Street
Parcel 461: Tax Map Keys (TMKS) 2-1-030-006; 2-1-030-007; 2-1-030-008;
2-1-030-009 (Portions)
Revised Letter of Offer

This letter serves as a revision to the previous Letter of Offer dated July 27, 2015. In that letter, a review of public records indicated that you are the Owner of Record of the property HART is seeking to acquire for this Project. HART offered to purchase a portion of your property, a total of 652 square feet, for permanent guideway easement purposes, for the total consideration of \$117,000 (One Hundred Seventeen Thousand Dollars). The area and type of permanent easement has not changed, only the compensation amount has been revised. The new appraisal report indicated a zoning change and with this zoning change, came a change in the valuation.

Based on our new findings as contained in the enclosed Statement of Just Compensation, HART offers to purchase a portion of your property, a total of 652 square feet, for permanent guideway easement purposes, for the new total consideration of \$130,000 (One Hundred Thirty Thousand Dollars), as shown colored in yellow on the enclosed map.

The new revised total offer for acquiring the interest in your property is \$130,000 (One Hundred Thirty Thousand Dollars). Costs incidental to closing escrow for this transaction will be paid by HART except prorated costs such as taxes and insurance.

The amount of offer is predicated on the assumption that there exists no hazardous substance, product, or waste on the subject property. Please be advised that the amount offered is subject to completion of an environmental site assessment by HART, and the cost to remediate any identified findings may affect the valuation of the subject property.

If this offer is acceptable, please sign the duplicate of this letter and return it in the enclosed envelope by **October 14, 2015**. The remaining copy is for your file. Enclosed for your information are the Appraisal Summary Statement and General Acquisition and Relocation Information Brochure. Also

Ms. Cindy Ching
Page 2
September 15, 2015

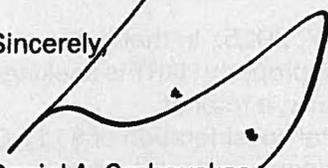
enclosed is a draft Possession and Use Agreement for your review, consideration, and for further discussion with your acquisition agent. The Possession and Use Agreement is intended to provide you early access to most of the purchase price of this acquisition subject to HART being provided access to the portion of your property required for construction of the HRTTP with minimal risk to the Project. Under this agreement, your rights to the full just compensation amount are fully reserved and enforceable.

It is the desire of HART to acquire private property through voluntary purchase if possible. While HART has the power of eminent domain, HART has not sought the authority nor made any decision to exercise the power of eminent domain to acquire your property at this time.

In accordance with federal regulations affecting real property transactions, we request your cooperation in providing us with your Taxpayer Identification Number. Please execute and return the enclosed IRS Form W-9 at the same time. The W-9 is required by our Department of Budget and Fiscal Services to release the check.

HART has retained the services of Paragon Partners Ltd to assist you with the acquisition process. Please contact Mr. Jeremy Marljar at jmarljar@paragon-partners.com or by telephone at 536-5900 if you have any questions regarding this matter.

Sincerely,



Daniel A. Grabauskas
Executive Director and CEO

Enclosures

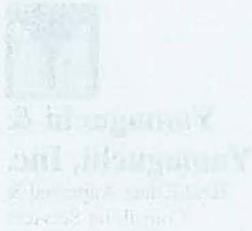
ACCEPTED:

HAWAII STATE FEDERAL CREDIT UNION

By _____
Its

Print Name: _____

Dated: _____



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

PROJECT
Honolulu Rail Transit Project

Parcel Designation: (1) 2-1-030-006, 007, 008, 009
HART RW Parcel: 461
Owner: Hawaii State FCU
565 Halekauwila Street
Honolulu, Hawaii 96813

AN APPRAISAL REPORT OF
HCDA Civic Center Kakaako District
Permanent Easement Acquisition

CLIENT
Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation

PREPARER
Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA

EFFECTIVE DATE OF APPRAISAL
April 29, 2015

ONE KAPIOLANI BUILDING
600 Kapiolani Boulevard Suite 405• Honolulu, Hawaii 96813
Bus: 808.533.8849 • Fax: 808-533-8088 • E-mail: appraisals@yamaguchiinc.com



**Yamaguchi &
Yamaguchi, Inc.**
Real Estate Appraisal &
Consulting Services

June 24, 2015

Ms. Georgia Marquis
Paragon Partners Ltd. for the Honolulu Authority for Rapid Transportation
5762 Bolsa Ave., Suite 201
Huntington Beach, CA 92649

Re: Honolulu Rail Transit Project
HART RW Parcel 461
Parcel Designation: TMK (1) 2-1-030-006, 007, 008, 009
565 Halekauwila Street, Honolulu, Hawaii 96813

Dear Ms. Marquis,

At your request, we have appraised a real property interest for the above real estate. Our objective was to form one or more opinions about the market value for a 100% ownership interest in the subject property's fee simple estate assuming no liens or encumbrances other than normal covenants and restrictions of record.

The purpose of this appraisal report is to assist the Honolulu Authority for Rapid Transportation in the Permanent Easement Acquisition for Guideway Purposes to facilitate Eminent Domain proceedings of the subject property as part of the Honolulu Rail Transit Project.

As a preview, subject property consists of 12,265 square feet and zoned Civic Center Kakaako District. The parcels included are: 006: (3,120 square feet), 007: (2,815 square feet), 008: (3,140 square feet) and 009: (3,190 square feet) and for this appraisal the total square footage is 12,265 square feet as explained in the Larger Parcel Description in this report. Per our exterior observation and tax office records, Parcel 006, 007 and 008 is currently improved with an 8,000 square foot warehouse and office building structure originally built in 1990. Parcel 009 is a concrete paved parking lot used in conjunction with the larger parcel. The 8,000 square foot office and warehouse/open service area improvements consists of 2,000 square feet on the 1st level, 4,000 square feet on the 2nd level and 2,000 square feet on the 3rd level. These improvements are in relatively good physical condition and is currently used for operating an auto body and fender repair business. Except where otherwise noted, these improvements are not included in our valuation.

The permanent easement acquisition are easements 6, 7, 8 and 9 respectively along the property boundary frontage on Halekauwila Street consisting of a total of 652 square feet.

This valuation contains analyses, opinions, and conclusions along with market data and reasoning appropriate for the scope of work detailed later herein. It was prepared solely for the intended use and intended user(s) explicitly identified in the attached report. Unauthorized users do so at their own risk. The appraisal is communicated in the attached Appraisal report, and conforms to the version of the Uniform Standards of Professional Appraisal Practice (USPAP) in effect on this report's preparation date of June 24, 2015.

For purposes of this appraisal report the definition of market value from the fifth edition of the *Uniform Appraisal Standards for Federal Land Acquisitions* was utilized and is defined in the Market Value Criterion section of this report.

This letter is not an appraisal report hence it must not be removed from the attached 129-page report. If this letter is disjoined from the attached appraisal report, then the value opinions set forth in this letter are invalid because the analyses, opinions, and conclusions cannot be properly understood.

In general, valuation of the subject property involves no atypical issues. All value opinions are affected by all the information, extraordinary assumptions, hypotheses, general limiting conditions, facts, descriptions, and disclosures stated in the attached appraisal report. After careful consideration of all factors pertaining to and influencing value, the data and analysis thereof firmly supports the following final value opinion(s) for the subject property permanent easement as of April 29, 2015:

\$ 2,720,000	<i>"As Is" Indicated Market Value of the Larger Parcel</i>
\$ 2,590,000	<i>"As Is" Indicated Market Value of the Remainder Parcel</i>
\$ 130,000	<i>"As Is" Indicated Market Value of the Permanent easement acquisition (90%)</i>
\$ 130,000	<i>"As Is" Indicated Market Value of the Permanent easement acquisition (Rounded)</i>
\$ 0	<i>Add: Total Severance Damages to the Remainder Property</i>
\$ 0	<i>Less: Special Benefits to the Remainder Property</i>
\$ 0	<i>Add: Contributory Value</i>
\$ 130,000	<i>Total Fair Market Value of the Permanent easement acquisition (Rounded)</i>

Thank you for your business. Let us know how we may further serve you.



Jon F. Yamaguchi, CRE, FRICS, SRPA, SRA
 President / CEO
 Certified General Appraiser
 Hawaii License CGA 31
 License Expiration Date: 12/31/2015