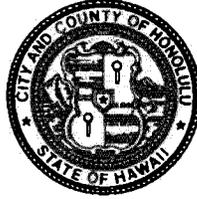


**OFFICE OF THE MAYOR
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MUFI HANNEMANN
MAYOR

KIRK W. CALDWELL
MANAGING DIRECTOR

TRUDI S. SAITO
DEPUTY MANAGING DIRECTOR

The Honorable Laura H. Thielen
State Historic Preservation Officer
Department of Land and Natural Resources
Kalanimoku Building
1151 Punchbowl Street
Honolulu, Hawaii 96813

Dear Ms. Thielen:

Subject: Honolulu High-Capacity Transit Corridor Project

I am writing to you because consultation in accordance with Section 106 of the National Historic Preservation Act, as amended, and its implementing regulations under 36 CFR 800, has been concluded and a Programmatic Agreement (PA) for the Honolulu High-Capacity Transit Corridor Project has been finalized. We appreciate the efforts of the PA signatories, which in addition to you, the State Historic Preservation Officer (SHPO), includes the Federal Transit Administration (FTA) and the Advisory Council on Historic Preservation (ACHP), to come to agreement on the stipulations in the PA.

The execution of the PA signifies compliance with Section 106 and 36 CFR 800. The development and evaluation of alternatives or modifications to the undertaking that could avoid, minimize, or mitigate adverse effects on historic properties, in consultation with the signatories and consulting parties, have been conducted. The PA will govern the undertaking and all of its parts. The FTA will ensure that the undertaking is carried out in accordance with the PA. Compliance with the procedures established by the PA will satisfy the project's Section 106 responsibilities.

The PA has undergone extensive discussion among the signatories and other participants, including the State Historic Preservation Division and Deputy SHPO, in its development and it should be executed as written at this time. However, after the document is executed, signatories, such as you, have sole authority to execute, amend, or terminate the agreement in accordance with 36 CFR 800. Therefore, your role in historic preservation and Section 106 will not terminate upon the signing of the PA.

The Honorable Laura H. Thielen
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We also would like to acknowledge the fact that even with our reasonable and good faith efforts to address all eventualities there may potentially be future issues that are not known at this time, which may require us to revisit the PA. Not only are we happy to discuss and resolve those issues, but we are also obligated to address those issues under Section 106 and 36 CFR 800 as they arise.

The City is committed to historic preservation as required under State and Federal historic preservation laws not only for this project but all projects under its jurisdiction.

We urge you to sign the PA as currently written and look forward to continue working with you, the FTA, the ACHP, the consulting parties, and interested stakeholders to develop and implement the PA and as the process of preliminary engineering and final design continues.

Should you have any questions regarding this matter, please contact Mr. Toru Hamayasu, Project Manager, at 768-8344.

Sincerely,

Kirk W. Caldwell
Managing Director

cc: Mr. Carl Bausch, FTA