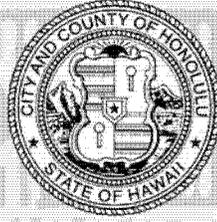


NEWS RELEASE



OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU

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MAYOR HANNEMANN PRAISES STATE HOUSE LETTER REQUESTING SPEEDY ACCEPTANCE OF HONOLULU RAIL PROJECT'S EIS

Mayor Mufi Hannemann today praised the State House of Representatives for its letter to Governor Linda Lingle requesting that, once the rail transit Final Environmental Impact Statement (Final EIS) is submitted to the Governor, she expedite its review and acceptance.

Thirty-nine members of the 51 State House of Representatives signed a letter asking Gov. Lingle to promptly review and accept the rail project's final EIS as soon as it is released. The governor's acceptance of the document, along with a "Record of Decision" by the Federal Transit Administration would allow the city to break ground for the rail transit project.

"The city is grateful for the support of three-fourths of the state House who ask the Governor to review and accept the rail project's Final EIS in a timely manner," Mayor Hannemann said. "The Legislature voted in 2005 to allow the city to create a tax surcharge for the transit project. These lawmakers who support rail understand that rail not only will provide relief for our island's traffic woes, but become the biggest economic stimulus project for our state.

"Job creation is and should be the number one priority of every decision maker in Hawaii," said Mayor Hannemann. "Rail construction is the best source of new jobs in the state and the best economic engine we have during this recession."

The announcement of the state House letter to Gov. Lingle came during an update today on the Honolulu Rail Transit Project by Mayor Hannemann and others at the Hawaii State Capitol auditorium.

Titled "Jobs, The Economy, And Our Island's Future," the update included a presentation by Mayor Hannemann, as well as First Hawaiian Bank board chairman and Hawaii Business Roundtable executive committee member Don Horner; U.S. Sen. Dan Inouye's chief of staff Jennifer Goto-Sabas; and American Institute of Architects-Honolulu (AIA-Honolulu) member Shaun Ushijima on the benefits of the rail project.

Mayor Hannemann remarked at the forum that rail transit is the only major shovel-ready infrastructure program in the state that can create thousands of jobs in 2010. "Rail construction will put up to 4,000 people in Hawaii back to work this year. No other project can give such an immediate and sizable boost to our local economy."

Hannemann commented that Governor Lingle has proposed tax credits for hotel renovations to stimulate job growth. "This is a good idea but we have to be realistic about how many jobs it can create immediately," he said, noting that few major hotel renovation projects are slated for this year.

The Mayor stated that even before the Final EIS is released, the Obama administration has stated its intent to sign in 2011 a Full Funding Grant Agreement worth \$1.55 billion. "This speaks volumes to the strength of the rail project," said Hannemann.

Mr. Horner spoke at the forum about rail from a business perspective. Horner noted that the Hawaii Business Roundtable, which is composed of the state's top business leaders, analyzed the financial plan in 2008 and said it was sound. He stated that the rail financial plan is even stronger now, with a greater federal financial contribution, conservative revenue projections, and a contingency fund of \$1.3 billion. Horner stated that the time to build rail is now.

Ms. Goto-Sabas spoke about being a member of Senator Inouye's staff nearly 18 years ago when the federal government would have contributed more than \$600 million. She said that lengthy delays now could jeopardize federal funding. She noted that the Congress had appropriated \$65 million for the rail project over the past three years, and the Obama administration has requested \$55 million for the rail project this year.

Mr. Ushijima, a former AIA-Honolulu board member, shared his experiences with the city of Vancouver's SkyTrain system and the speed and safety advantages of the SkyTrain and its elevated stations.

The Mayor concluded the forum by reiterating that Federal Transit Administrator Peter Rogoff has made positive public statements about the Honolulu rail system.

"Rail transit has support from the federal government, a solid financial plan and will bring jobs to thousands of Hawaii residents in 2010," said Hannemann. "This is the year for rail transit."