

**Honolulu Authority for Rapid Transportation**

**RESOLUTION NO. 2015-12**

**APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 9-6-004-023 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY 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 of the real property identified as Tax Map Key (TMK) 9-6-004-023 (por.) 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;

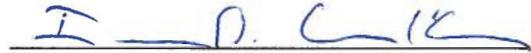
NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of HART as follows:

1. That written notification to the City Council is approved, for the acquisition by eminent domain in fee simple of the real property identified as TMK 9-6-004-023 (por.); 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 of the above-identified real property.

ADOPTED by the Board of the Honolulu Authority for Rapid Transportation on JUN 25 2015.

Exhibit A – Legal description of TMK 9-6-004-023 (por.)

Exhibit B – Resolution No. 2015-\_\_\_\_, Authorizing the Acquisition of the Real Property Identified as Tax Map Key 9-6-004-023 (portion) by Eminent Domain



Board Chair

ATTEST:

  
Board Administrator



R. M. TOWILL CORPORATION

Description prepared by:



2024 North King Street, Suite 200  
Honolulu, Hawaii 96819  
March 9, 2015

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



**PARCEL 104B**

Being a portion of the land bearing Tax Key designation (1) 9-6-004-023  
Being also a Portion of R.P. 4475, L.C. Aw. 7713, Apana 46 to V. Kamamalu

Situate at Waiawa, Ewa, Island of Oahu, Hawaii

Beginning at the Northeast corner of this parcel of land, along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)), the coordinates of said point of beginning referred to Government Survey Triangulation Station "Hawaiian Plane Coordinate Grid System, Zone III" being 87,060.52 feet North and 502,877.81 feet East, thence running by azimuths measured clockwise from true South:

1. Along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,464.00 feet, the chord azimuth and distance being:  

357° 54' 35.5"      179.73 feet;
2. Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,162.87 feet, the chord azimuth and distance being:  

1° 24' 09.5"      105.89 feet;
3.      93° 16' 55"      14.40 feet along the Remainder of Parcel 104;
4.      180° 49' 13"      284.21 feet along the Remainder of Parcel 104;
5.      265° 52' 16"      6.36 feet along the Remainder of Parcel 104 to the point of beginning and containing an area of 3,773 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  
March 9, 2015



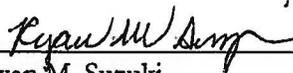


R. M. TOWILL CORPORATION

Description prepared by:



2024 North King Street, Suite 200  
Honolulu, Hawaii 96819  
March 9, 2015

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



**The Remainder of PARCEL 104**

Being a portion of the land bearing Tax Key designation (1) 9-6-004-023  
Being also a Portion of R.P. 4475, L.C. Aw. 7713, Apana 46 to V. Kamamalu

Situate at Waiawa, Ewa, Island of Oahu, Hawaii

Beginning at the Northeast corner of this parcel of land, along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)), the coordinates of said point of beginning referred to Government Survey Triangulation Station "Hawaiian Plane Coordinate Grid System, Zone III" being 90,219.65 feet North and 502,367.04 feet East, thence running by azimuths measured clockwise from true South:

1. Along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 1,560.00 feet, the chord azimuth and distance being:  
348° 14' 38"          525.12 feet;
2. 357° 56'          438.39 feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14));
3. 87° 56'          22.00 feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14));
4. 357° 56'          229.66 feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14));
5. 87° 56'          10.00 feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14));
6. Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the left with a radius of 3,150.00 feet, the chord azimuth and distance being:  
350° 44'          789.60 feet;



- |     |  |                |   |
|-----|--|----------------|---|
| 7.  | 343° 32'   | 416.36         | feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)); |
| 8.  | 253° 32'   | 7.41           | feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)); |
| 9.  | 343° 32'   | 334.46         | feet along Parcel 104C;   |
| 10. | 347° 16' 01"   | 248.58         | feet along Parcel 104C;   |
| 11. | 80° 21'  | 18.78          | feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)); |
| 12. | Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,464.00 feet, the chord azimuth and distance being: |                |   |
|     |  | 353° 05' 05.5" | 235.14 feet;  |
| 13. | 85° 52' 16"  | 6.36           | feet along Parcel 104B;   |
| 14. | 0° 49' 13"   | 284.21         | feet along Parcel 104B;   |
| 15. | 273° 16' 55"   | 14.40          | feet along Parcel 104B;   |
| 16. | Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,162.87 feet, the chord azimuth and distance being: |                |   |
|     |  | 6° 16' 08.5"   | 261.35 feet;  |
| 17. | Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,162.87 feet, the chord azimuth and distance being: |                |   |
|     |  | 10° 35' 38"    | 65.01 feet;   |
| 18. | 281° 27' 18"   | 61.31          | feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)); |



19. 5° 10' 08" 195.76 feet along Parcel 104A;
20. Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 1,428.18 feet, the chord azimuth and distance being:  
21° 07' 25" 125.96 feet;
21. 113° 39' 04" 101.00 feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14));
22. Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 1,327.18 feet, the chord azimuth and distance being:  
25° 53' 34" 103.82 feet;
23. 174° 11' 4,133.51 feet along Lots 92-B-1-A, 1790, 13173, 13172, 13171, and 10212 of Land Court Application 1000;
24. 248° 33' 16" 91.82 feet along Interstate Highway (F.A.P. No. I-H1-1(14)) to the point of beginning and containing an area of 15.532 Acres, 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  
March 9, 2015



**Honolulu Authority for Rapid Transportation**

**RESOLUTION NO. 2015-**

**AUTHORIZING THE ACQUISITION OF THE REAL PROPERTY IDENTIFIED  
AS TAX MAP KEY 9-6-004-023 (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 real property identified as Tax Map Key (TMK) 9-6-004-023 (por.) by eminent domain in fee simple after written notification by HART; and

WHEREAS, the acquisition by eminent domain in fee simple 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 of the real property identified as TMK 9-6-004-023 (por.) 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 TMK 9-6-004-023 (por.)

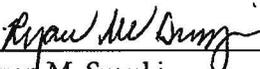


R. M. TOWILL CORPORATION

Description prepared by:



2024 North King Street, Suite 200  
Honolulu, Hawaii 96819  
March 9, 2015

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



**PARCEL 104B**

Being a portion of the land bearing Tax Key designation (1) 9-6-004-023  
Being also a Portion of R.P. 4475, L.C. Aw. 7713, Apana 46 to V. Kamamalu

Situate at Waiawa, Ewa, Island of Oahu, Hawaii

Beginning at the Northeast corner of this parcel of land, along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)), the coordinates of said point of beginning referred to Government Survey Triangulation Station "Hawaiian Plane Coordinate Grid System, Zone III" being 87,060.52 feet North and 502,877.81 feet East, thence running by azimuths measured clockwise from true South:

1. Along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,464.00 feet, the chord azimuth and distance being:  

357° 54' 35.5"      179.73 feet;
2. Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,162.87 feet, the chord azimuth and distance being:  

1° 24' 09.5"      105.89 feet;
3.      93° 16' 55"                      14.40      feet along the Remainder of Parcel 104;
4.      180° 49' 13"                     284.21      feet along the Remainder of Parcel 104;
5.      265° 52' 16"                     6.36      feet along the Remainder of Parcel 104 to the point of beginning and containing an area of 3,773 Square Feet, more or less.



R. M. TOWILL CORPORATION

Description prepared by:



*Ryan M. Suzuki*

2024 North King Street, Suite 200  
Honolulu, Hawaii 96819  
March 9, 2015

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



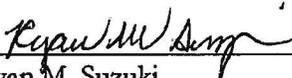


R. M. TOWILL CORPORATION

Description prepared by:



2024 North King Street, Suite 200  
Honolulu, Hawaii 96819  
March 9, 2015

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





- |     |  |                |   |
|-----|--|----------------|---|
| 7.  | 343° 32'   | 416.36         | feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)); |
| 8.  | 253° 32'   | 7.41           | feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)); |
| 9.  | 343° 32'   | 334.46         | feet along Parcel 104C;   |
| 10. | 347° 16' 01"   | 248.58         | feet along Parcel 104C;   |
| 11. | 80° 21'  | 18.78          | feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)); |
| 12. | Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,464.00 feet, the chord azimuth and distance being: |                |   |
|     |  | 353° 05' 05.5" | 235.14 feet;  |
| 13. | 85° 52' 16"  | 6.36           | feet along Parcel 104B;   |
| 14. | 0° 49' 13"   | 284.21         | feet along Parcel 104B;   |
| 15. | 273° 16' 55"   | 14.40          | feet along Parcel 104B;   |
| 16. | Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,162.87 feet, the chord azimuth and distance being: |                |   |
|     |  | 6° 16' 08.5"   | 261.35 feet;  |
| 17. | Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 2,162.87 feet, the chord azimuth and distance being: |                |   |
|     |  | 10° 35' 38"    | 65.01 feet;   |
| 18. | 281° 27' 18"   | 61.31          | feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)); |



19. 5° 10' 08" 195.76 feet along Parcel 104A;
20. Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 1,428.18 feet, the chord azimuth and distance being:  
21° 07' 25" 125.96 feet;
21. 113° 39' 04" 101.00 feet along the West side of Interstate Highway (F.A.P. No. I-H1-1(14));
22. Thence along the West side of Interstate Highway (F.A.P. No. I-H1-1(14)) on a curve to the right with a radius of 1,327.18 feet, the chord azimuth and distance being:  
25° 53' 34" 103.82 feet;
23. 174° 11' 4,133.51 feet along Lots 92-B-1-A, 1790, 13173, 13172, 13171, and 10212 of Land Court Application 1000;
24. 248° 33' 16" 91.82 feet along Interstate Highway (F.A.P. No. I-H1-1(14)) to the point of beginning and containing an area of 15.532 Acres, 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  
 March 9, 2015



# Honolulu Authority for Rapid Transportation

## STAFF SUMMARY

<b>TITLE:</b> <b>RESOLUTION NO. 2015-12 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 9-6-004-023 (PORTION) BY EMINENT DOMAIN AND PUBLICATION OF A RESOLUTION AUTHORIZING ACQUISITION OF SAID PROPERTY BY EMINENT DOMAIN</b>	<b>STAFF CONTACT:</b> Elizabeth Scanlon  Morris Atta	<b>DATE:</b> 6/25/2015
--	---	---------------------------

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 9-6-004-023, and situated at Waihona Street, Honolulu, Hawaii, which is required for station infrastructure purposes for the Honolulu Rail Transit Project (HRTTP). This property, for which a 29,650 square-foot portion is required, is on the critical path for successful completion of the West Oahu/Farrington Highway Section of the HRTTP. The property is owned by The Trustees of the Estate of Bernice Pauahi Bishop.

HART recommends use of eminent domain to acquire the property.

**2. Background/Justification**

This property (Tax Map Key 9-6-004-023) was designated as a partial take 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 the portion would have on the remainder of the property.

- An Offer to acquire, in fee, three portions totaling 29,650 square feet, was made to the Owner who accepted and is currently in escrow.

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**

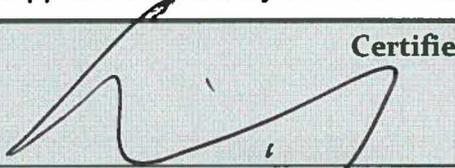
There is no feasible alternative to avoid the above-described impacts to the property.

**8. Exhibits**

Exhibit 1 – Offer letter dated 7/29/2014

Exhibit 2 – Appraisal Summary from John Child & Company dated 7/9/2014

Certified and Recommended by:



Executive Director and CEO

6/19/15

Date

APOOROW  
CMS 01845

RL 1792  
L READ - KN  
CO 15 X  
JA

RECEIVED  
KAHEHAMEHA SCHOOLS  
CENTRAL FILES

2014 AUG -5 P 1:52

**HART** HART-ROW

IN REPLY REFER TO:  
CMS-APOOROW-00579

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

Daniel A. Grabauskas  
EXECUTIVE DIRECTOR AND CEO

BOARD OF DIRECTORS

Ivan M. Lui-Kwan, Esq.  
CHAIR

Donald G. Horner  
VICE CHAIR

George I. Aita  
Robert Bunda  
Michael D. Furnby  
Ford H. Fuchigami  
William "Buz" Hong  
Kisilo W. K. Hul  
Damon I. K. Kim  
Carrie K. S. Okinaga, Esq.

HAND-DELIVERED

July 29, 2014

BP Bishop Trust Estate  
567 South King Street, Suite 200  
Honolulu, Hawaii 96813

Attention: Ms. Catherine Camp

Ladies and Gentlemen:

Subject: Honolulu Rail Transit Project (HRTTP)  
Parcel 104: Tax Map Key 9-6-004-023 (Portion)  
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 0.6804-acre portion of your property, identified as Tax Map Key 9-6-004-023 (shown colored in yellow on the enclosed tax map), in fee simple, free and clear of all liens and encumbrances, for the total consideration of \$22,300 (Twenty-Two Thousand Three Hundred Dollars and no cents).

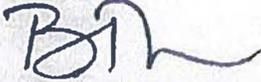
If this offer is acceptable, please sign the duplicate of this letter and the Consent to Enter and return them in the enclosed envelope by August 29, 2014. The remaining copies are for your files. Also enclosed for your information is the Appraisal Summary Statement and the General Acquisition & Relocation Information Brochure.

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.

BP Bishop Trust Estate  
Page 2  
July 29, 2014

Please call Mr. Ryan Ng at 768-6199 if you have any questions regarding this matter.

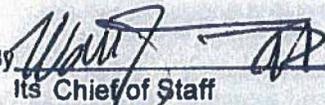
Sincerely,



*dm* Daniel A. Grabauskas  
Executive Director and CEO

Enclosures

ACCEPTED:  
ROBERT K.W.H. NOBRIGA, CORBETT AARON KAMOHAIKIOKALANI KALAMA, MICAH A. KANE,  
JANEEN-ANN AULANI OLDS , AND LANCE KEAVE WILHELM  
Trustees under the Will and Estate of ~~Trustees under the Will and Estate of~~  
Bernice Pauahi Bishop, deceased. Bernice Pauahi Bishop, deceased.

By  \_\_\_\_\_  
Its Chief of Staff

Print Name: Walter Thoemmes

Dated: FEB 12 2015

By \_\_\_\_\_  
Its

Print Name: \_\_\_\_\_

Dated: \_\_\_\_\_

Kamehameha Schools hereby accepts the foregoing offer, subject however, to all of the terms and conditions set forth in the attached Addendum and all exhibits thereto, which are incorporated herein by reference.

### Addendum

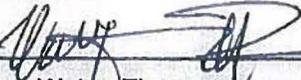
The "**Parcels**" are three parcels or segments of land with a total acreage of 0.6804 acre referred to as "Parcel 104: Tax Map Key 9-6-004-023 (Portion)" and commonly referred to as the Waiawa parcels. The foregoing offer made by HART to acquire (in lieu of condemnation) the Parcels in fee simple for \$22,300, is accepted by the Trustees of the Estate of Bernice Pauahi Bishop ("**KS**") subject to, and amended by, the following terms and conditions:

1. HART shall offer compensation to KS for the Right of Entry Agreement ("**TCE**"), which offer shall be submitted with more information on the scope and timing of the TCE. Although KS does not object to granting the TCE on the terms and conditions described below, compensation should be provided to KS. If and when KS agrees to the compensation for the TCE and is paid such compensation, the "Right of Entry Agreement" shall be in the form attached hereto as Exhibit 1 in lieu of the Consent to Enter attached to HART's offer.
2. HART shall, at its cost and expense, cause the Parcels to be subdivided from the portions of the 17.949-acre parcel of land described in that certain Status Report issued by Title Guaranty of Hawaii, Inc. (No. 201422544) dated June 20, 2014, which is included in HART's appraisal report, in a manner that the remaining lot is a separately subdivided and insurable lot. KS shall cooperate with HART in the execution of authorization documents to allow HART to accomplish the same.
3. Upon the subdivision of the Parcels and the payment of the foregoing compensation to KS, the Parcels shall be conveyed by KS to HART by a quitclaim deed. Recording fees and conveyance tax, if any, for such transfer shall be paid for by HART.
4. HART shall, at its cost and expense, cause the reconstruction and restoration of existing site improvements affected by the taking.
5. In accepting the compensation for the Parcel, KS is expressly relying on the accuracy and validity of the following valuation assumption made by HART's appraiser:

"The proposed taking will reduce the remainder parcel to about 17,2686 acres (17.949 acres less 0.6804 acres). The segments involved in the taking are along the perimeter of the parcel. The relatively level and usable portion of the H-2 Freeway Parcel is largely unaffected by the proposed taking.

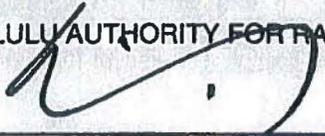
The taking does not create a non-conformity in terms of lot size, dimensions, access, or setbacks and does not impact the marketability or productivity of the parcel as it currently exists. The taking does not impact the remainder land, the intensity of that use, or conformity with existing land use regulations. Therefore, the taking does not result in any severance damages to the remainder property."
6. This agreement has been executed by or on behalf of the Trustees of the Estate of Bernice Pauahi Bishop in their fiduciary capacities as said Trustees, and not in their individual capacities. No personal liability or obligation under this agreement shall be imposed or assessed against said Trustees in their individual capacities.

TRUSTEES OF THE ESTATE OF  
BERNICE PAUAAHI BISHOP, AS  
AFORESAID

By:   
Name: Walter Thoemmes  
Title: Chief of Staff  
Date: FEB 12 2015

The foregoing terms and conditions are accepted:

HONOLULU AUTHORITY FOR RAPID TRANSPORTATION

  
\_\_\_\_\_  
Daniel A. Grabauskas  
Executive Director and CEO

Date: 3/10/15



**JOHN CHILD & COMPANY**  
APPRAISERS & CONSULTANTS

July 9, 2014

Karen Char, MAI, CRE  
Paul D. Cool, MAI, CRE  
Shelly H. Tanaka, MAI  
Sammy Apsen

City and County of Honolulu  
Honolulu Authority for Rapid Transportation  
c/o Mr. Todd A. Salvatore  
Paragon Partners Ltd.  
5762 Bolsa Avenue, Suite 201  
Huntington Beach, California 92649

Dear Mr. Salvatore:

**Re: Partial Acquisition of the H-2 Freeway Parcel  
Tax Map Key (1) 9-6-004:023, PDQ Parcel 104**

At your request, John Child & Company has estimated the fair market value of the partial fee simple acquisition involving a 0.6804-acre portion of the H-2 Freeway Parcel. This letter summarizes the background and estimated value presented in the attached report.

**STUDY BACKGROUND**

The Trustees of the Estate of Bernice Pauahi Bishop, a charitable educational trust (Bishop Estate, also referred to as Kamehameha Schools) owns the fee simple interest in a 17.949-acre vacant parcel along the westerly side of the H-2 Highway, north of the H-1/H-2 Freeway Interchange, in Waiawa, Ewa, Oahu, Hawaii. The parcel, referred to as the H-2 Freeway Parcel, is identified as Tax Map Key 9-6-004:023 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). HART plans to acquire three segments of the H-2 Freeway Parcel totaling 0.6804 acres. These segments will be incorporated into the dedicated access ramp connecting the H-2 Freeway to the Pearl Highlands Station's park-and-ride facility and bus transit center.

HART requires an appraisal of the fee simple interest in the taking. In this regard, you asked us to assist you.

**STUDY OBJECTIVE**

The objective of our assistance is to estimate the fair market value of the fee simple interest in the 0.6804-acre portion of the H-2 Freeway Parcel to be acquired by HART.



#### **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 H RTP.

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 last visited on June 24, 2014. A representative of the property owner, Ms. Catherine Camp, accompanied the appraiser.

#### **EFFECTIVE DATE OF APPRAISAL**

The effective date of appraisal is June 24, 2014.

#### **DATE OF REPORT**

The date of this report is July 9, 2014.

#### **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 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.

### **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. [2]

The valuation is based on the following hypothetical conditions.

#### **Access to a Public Road**

In its Status Report dated June 20, 2014, Title Guaranty of Hawaii, Inc. (Title Guaranty) reports that the H-2 Freeway Parcel has no recorded access to a public roadway.

However, a former cane haul road extends across the H-2 Freeway Parcel and provides practical access to Kamehameha Highway and Waihona Street. This cane haul road is also used for accessing utility installations by Hawaiian Electric Company, Inc. and Hawaiian Telcom, Inc.

At the request of Paragon Partners, the valuation is based on the hypothetical condition that the H-2 Freeway Parcel has legal access to public roadways via the cane haul road.

---

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

[2] Appraisal Institute, **The Dictionary of Real Estate Appraisal**, Fifth Edition, 2010.



### **Impact of the Project**

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

“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, this valuation is based on the hypothetical condition that the H-2 Freeway Parcel is not impacted by the rail project as of the date of valuation.

### **EXTRAORDINARY ASSUMPTION**

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. [1]

Title Guaranty does not have satisfactory evidence that the Land described herein is a subdivided lot of record under the ordinances of the City and County of Honolulu. Before title insurance can be issued, written verification should be obtained from the County planning department that the Land is an existing subdivided lot of record.

At the request of Paragon Partners, this valuation is based on the extraordinary assumption that the H-2 Freeway Parcel is a subdivided lot of record under the ordinances of the City and County of Honolulu.

### **STUDY CONDITIONS**

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

---

[1] Appraisal Institute, **The Dictionary of Real Estate Appraisal**, Fifth Edition, 2010.

Honolulu Authority for Rapid Transportation  
Paragon Partners Ltd.  
July 9, 2014  
Page 5



**ESTIMATED FAIR MARKET VALUE**

Based on the valuation analyses, the fair market value of the fee simple interest in the 0.6804-acre portion of the H-2 Freeway Parcel to be acquired by the HART, as of June 24, 2014, is estimated to be:

**TWENTY TWO THOUSAND THREE HUNDRED DOLLARS**  
**\$22,300.**

\* \* \* \* \*

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

Sincerely,

JOHN CHILD & COMPANY, INC.

Paul D. Cool, MAI, CRE  
Vice President  
Certified General Appraiser License No. 71  
State of Hawaii  
Expires December 31, 2015