

**Honolulu Authority for Rapid Transportation**

**RESOLUTION NO. 2015-50**

**APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE A FEE SIMPLE INTEREST IN THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 2-1-014-006 (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) 2-1-014-006 (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 2-1-014-006 (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

JUL 30 2015

Exhibit A – Legal description of TMK 2-1-014-006 (por.)

Exhibit B – Resolution No. 2015-\_\_\_, Authorizing the Acquisition of a Fee Simple Interest in the Real Property Identified as Tax Map Key 2-1-014-006 (Portion) by Eminent Domain

  
Board Chair

ATTEST:

  
Board Administrator

HONOLULU RAIL TRANSIT PROJECT

EASEMENT B  
(FOR STATION CONSTRUCTION PURPOSES)

Affecting Hawaiian Electric Company  
Being Grant 3537 to H.A. Widemann,  
Grant 3651 to The Hawaiian Electric Company, Limited,  
Grant 3664 to The Hawaiian Electric Company, Limited,  
Grant 4690 to J.A. McCandless,  
Grant 6879 to The Hawaiian Electric Company, Limited,  
Grant 7041 to The Hawaiian Electric Company, Limited

Situate at Honolulu, Oahu, Hawaii

Beginning at the Northwest corner of this easement, being the Northwest corner of Grant 7041 to The Hawaiian Electric Company, Limited, also along the West side of Ala Moana Boulevard, the coordinates of said point of beginning referred to Government Survey Triangulation Station "PUNCHBOWL" being 1,878.64 feet South and 4,921.98 feet West thence running by azimuths measured clockwise from true South:

- 1. 329° 35' 53.46 feet along the West side of Ala Moana Boulevard;
- 2. 58° 54' 123.48 feet along remainder Grant 7041 to The Hawaiian Electric Company, Limited;
- 3. 148° 54' 73.98 feet along same;
- 4. 232° 50' 91.46 feet along the South side of Bishop Street;

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



5. 281° 12' 30" 44.85 feet to the point of beginning and containing an area of 9,738 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

A handwritten signature in black ink, appearing to read "Erik S. Kaneshiro".

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 20, 2015

TMK: (1) 2-1-014: 006 (Portion)  
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 443 - Easement B.docx



**Honolulu Authority for Rapid Transportation**

**RESOLUTION NO. 2015-\_\_\_\_**

**AUTHORIZING THE ACQUISITION OF A FEE SIMPLE INTEREST IN THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 2-1-014-006 (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) 2-1-014-006 (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 2-1-014-006 (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

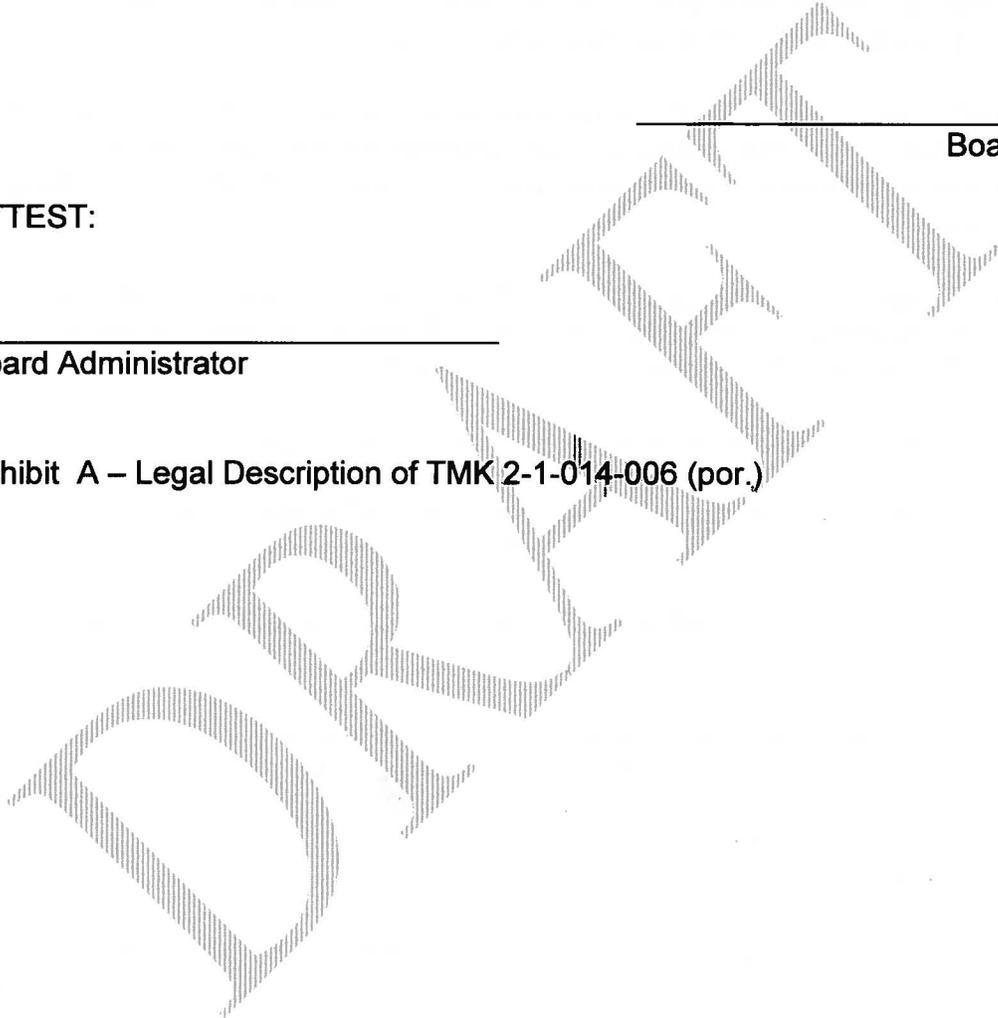
\_\_\_\_\_.

\_\_\_\_\_  
Board Chair

ATTEST:

\_\_\_\_\_  
Board Administrator

Exhibit A – Legal Description of TMK 2-1-014-006 (por.)



**HONOLULU RAIL TRANSIT PROJECT**

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

Affecting Hawaiian Electric Company  
Being Grant 3537 to H.A. Widemann,  
Grant 3651 to The Hawaiian Electric Company, Limited,  
Grant 3664 to The Hawaiian Electric Company, Limited,  
Grant 4690 to J.A. McCandless,  
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Situate at Honolulu, Oahu, Hawaii

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- |    |          |        |      |   |
|----|----------|--------|------|---|
| 1. | 329° 35' | 53.46  | feet | along the West side of Ala Moana Boulevard;                           |
| 2. | 58° 54'  | 123.48 | feet | along remainder Grant 7041 to The Hawaiian Electric Company, Limited; |
| 3. | 148° 54' | 73.98  | feet | along same;   |
| 4. | 232° 50' | 91.46  | feet | along the South side of Bishop Street;                                |

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



**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

5. 281° 12' 30" 44.85 feet to the point of beginning and containing an area of 9,738 Square Feet.



AUSTIN, TSUTSUMI & ASSOCIATES, INC.

Description Prepared By:

A handwritten signature in black ink, appearing to read "Erik S. Kaneshiro", with a date "7/20/15" written to the right.

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 20, 2015

TMK: (1) 2-1-014: 006 (Portion)  
Y:\2014\14-068\SURVEY\Descriptions\PARCEL 443 - Easement B.docx



# Honolulu Authority for Rapid Transportation

## STAFF SUMMARY

<b>TITLE:</b> <b>RESOLUTION NO. 2015-50 APPROVING NOTIFICATION TO THE CITY COUNCIL OF INTENTION TO ACQUIRE THE REAL PROPERTY IDENTIFIED AS TAX MAP KEY 2-1-014-006 (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> 07/30/2015
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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 Key 2-1-014-006 (Por.), and situated at 170 Aloha Tower Drive, Honolulu, Hawaii 96813 which is required for station construction purposes for the Honolulu Rail Transit Project (HRTTP). This property, for which a 9,779 square-foot partial fee acquisition is required, is on the critical path for successful completion of the City Center Section of the HRTTP. The property is owned by Hawaiian Electric Company, Inc.

HART recommends use of eminent domain to acquire the property.

**2. Background/Justification**

This property (Tax Map Key 2-1-014-006 por.) 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 December 5, 2014 was conducted.
- A Letter of Offer dated March 26, 2015 was delivered.
- Owner rejected Letter of Offer and submitted a Counteroffer on June 29, 2015.
- No settlement has been reached. Negotiations have been cordial and 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 XVII of the Charter of the City and County of Honolulu.

**6. Public Involvement**

N/A

**7. Alternatives**

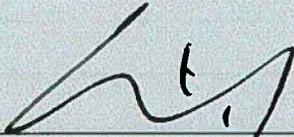
There is no feasible alternative to avoid the above described impacts to the property.

**8. Exhibits**

Exhibit 1 – Letter of Offer dated March 26, 2015

Exhibit 2 – Appraisal Summary prepared by Hasting, Conboy, Braig & Associates, LTD with an effective appraisal date of December 5, 2014

**Certified and Recommended by:**



Executive Director and CEO

7/23/15

Date

IN REPLY REFER TO:  
CMS-AP00ROW-00795

RL 1801  
READ  
COR 15 A  
FOR  
JA



HONOLULU AUTHORITY for RAPID TRANSPORTATION

Daniel A. Grabauskas  
EXECUTIVE DIRECTOR AND CEO

HAND-DELIVERED

March 26, 2015

*Philip Hauret*  
Received  
Philip Hauret 3/27/15  
Print Name Date

BOARD OF DIRECTORS

Ivan M. Lui-Kwan, Esq.  
CHAIR

Donald G. Horner  
VICE CHAIR

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

Mr. Phil Hauret  
Hawaiian Electric Company, Inc.  
P.O. Box 2750  
Honolulu, Hawaii 96840

Delivered By: *Jackson Blugden*

Dear Mr. Hauret:

Subject: Honolulu Rail Transit Project (H RTP)  
170 Aloha Tower Drive  
Parcel 443: Tax Map Key (TMK) 2-1-014-006 (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 9,779-square-foot portion of your property, identified as TMK 2-1-014-006 (shown colored in yellow on the enclosed map), in fee simple, free and clear of all liens and encumbrances, for the total consideration of **\$3,150,000** (Three Million One Hundred Fifty Thousand Dollars).

The total offer for acquiring the interest in your property is **\$3,150,000** (Three Million One Hundred Fifty Thousand Dollars).

If this offer is acceptable, please sign the duplicate of this letter and return it in the enclosed envelope by **April 27, 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 Right of Entry, Possession and Use Agreement for your review, consideration, and to be further discussed with your acquisition agent.

If we do not hear from you by **April 27, 2015**, this offer shall be considered rejected and HART will proceed to review options to acquire the subject property.

Mr. Phil Hauret  
Page 2  
March 26, 2015

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. Jackson Blagden at 536-5900 if you have any questions regarding this matter.

Sincerely,



Daniel A. Grabauskas  
Executive Director and CEO

Enclosures

ACCEPTED:

HAWAIIAN ELECTRIC COMPANY, INC.

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

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

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

**Appraisal Report**

**Prepared for  
Paragon Partners Ltd.  
5762 Bolsa Avenue, Suite 201  
Huntington Beach, CA 92649**

**Covering**

**Honolulu Rail Transit Project  
Parcel Designation (1) 2-1-14-06  
HART RW Parcel 443  
Hawaiian Electric Power Plant  
170 Aloha Tower Drive  
Honolulu, Oahu, Hawaii**

**Prepared By**

**Alan J. Conboy, MAI, SRA  
Hastings, Conboy, Braig & Associates, Ltd.  
43 Oneawa Street, Suite 211  
Kailua, Hawaii 96734**

**Effective date of Appraisal – December 5, 2014**

Robert C. Hastings, Jr., CRE  
Alan J. Conboy, MAI, SRA  
Robert R. Braig, MAI, SRA  
Andrew B. Conboy

**HASTINGS, CONBOY, BRAIG  
& ASSOCIATES, LTD.**

Real Estate Appraisers, Counselors and Economists

December 19, 2014

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

Dear Ms. Marquis:

**Re: Partial Acquisition covering a Portion of the Honolulu Power Station Property, Tax Map Key (1) 2-1-14-06**

We have conducted, in the accompanying report, a complete appraisal of a partial real property acquisition interests currently owned by the Hawaiian Electric Company, Ltd. located at 170 Aloha Tower Drive, Island of Oahu, State of Hawaii. The total property is identified on State of Hawaii tax maps as First Division Tax Map Key 2-1-14, Parcel 06.

Development on the Downtown Transit Station requires a partial taking of the Honolulu Power Station property. The total property (Larger Parcel) consists of a 149,644 square foot parcel. The larger parcel is improved with a masonry and steel electric power station. Hawaiian Electric Company, Ltd owns the fee simple interest in the property and occupies the improvements. The partial taking will consist of approximately 9,779 square feet designated Parcel 06 (Portion).

This appraisal was developed and prepared in accordance with the Uniform Appraisal Standards for Federal Land Acquisitions, 2000 (UASFLA) of the Interagency Land Acquisition Conference and the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Standards Board. The results of the appraisal are communicated in the format of an Appraisal Report. The date of the appraisal report is December 19, 2014.

The sources of information and basis of the estimates and assumptions are stated herein. The appraisers have relied on certain information developed from their research and knowledge of the market, and have performed reasonable verification of facts, except as specifically set forth in the report. To the best of the appraisers' knowledge and belief, the information contained in this report, on which the analyses and conclusions expressed herein are based, is fairly stated.

The results of our complete appraisal are set forth within the attached narrative appraisal report. Based on our thorough research and analyses and subject to the limiting conditions and assumptions stated herein, it is our opinion that the market value of the unencumbered fee simple interest of the real property partial acquisition interests appraised, as of an effective date of December 5, 2014, is summarized as follows:

	<u>Value Indication</u>		<u>Value Conclusion of Acquisition</u>
	<u>Before</u>	<u>After</u>	
Parcel 06 (Por.) 9,779 square Feet	\$54,620,000	\$51,470,000	\$3,150,000

We appreciate the opportunity to have undertaken this appraisal assignment.

Sincerely,

**HASTINGS, CONBOY, BRAIG  
& ASSOCIATES, LTD.**

Alan J. Conboy, MAI, SRA  
Executive Vice President  
Hawaii State Certified General Appraiser CGA-185  
Certificate Expires: December 31, 2015

