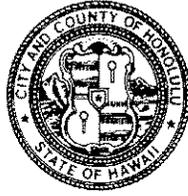


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MUFI HANNEMANN
MAYOR



May 12, 2008

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CITY COUNCIL
HONOLULU, HAWAII
MARY PATRICIA WATERHOUSE
DIRECTOR
MARK K. OTO
DEPUTY DIRECTOR

The Honorable Todd K. Apo, Chair
and Members of the Budget Committee
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

Dear Chair Apo and Councilmembers:

Subject: Proposed CD1 to Resolution 08-39, Approving the Sales of Parcels 1, 2, and 3,
Along Punchbowl Street, Tax Map Key No. 2-1-22: Portions of 14

We are in support of the sales of Parcels 1, 2, and 3, along Punchbowl Street, further identified as Tax Map Key No. 2-1-22: portions of 14, to the two abutting property owners, Ms. Patricia Martin and Ms. Yvonne Hussey.

After extensive negotiations, the offers, as recommended by our department in Resolution 08-39, were made and accepted by both parties, contingent upon Council approval. Our concern is that the proposed CD1, to restrict the use of the parcels to parking in perpetuity, would jeopardize the sales. To date, we have been unable to confirm whether both abutting property owners would accept such a restriction.

We agree with the proposed revision expressly resolving that the proceeds of the sales be deposited into the reserve for fiscal stability fund.

Thank you for the opportunity to provide testimony on this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "MP Waterhouse".

Mary Patricia Waterhouse, Director
Department of Budget and Fiscal Services

MPW:dm

APPROVED:

A handwritten signature in black ink, appearing to read "Wayne M. Hashiro".

Wayne M. Hashiro, P.E.
Managing Director

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