

Exhibit B

DAVID Y. IGE
GOVERNOR



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STATE OF HAWAII
DEPARTMENT OF TRANSPORTATION
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

PACIFIC RIM LAND, INC.
MAUI MAUI

FORD N. FUCHIGAMI
DIRECTOR

Deputy Directors
JADE T. BUTAY
ROSS M. HIGASHI
EDWIN H. SNIFFEN
DARRELL T. YOUNG

IN REPLY REFER TO:
HWY-PS 2.3600

November 10, 2016

Ms. Blanca Lafolete
Project Coordinator
Pacific Rim Land, Inc.
P.O. Box 220
1300 North Holopono Street, Suite 201
Kihei, Hawaii 96753



Dear Ms. Lafolete:

Subject: Puunene Heavy Industrial Subdivision Fair Share Contribution
Land Use Commission Docket No. A13-797
County Ordinance No. 4219, Bill No. 43 (2015), and
County Ordinance No. 4220, Bill No. 44 (2015)
Wailuku, Maui, Hawaii
TMK: (2)3-8-008: 019

The Hawaii Department of Transportation (HDOT) is responding to your email dated July 17, 2016, regarding the required fair share contribution of transportation improvements for the approximately 86-acre subject subdivision project, which will consist of 28 heavy industrial lots ranging from 0.5 acres to 20 acres in size. Access to the project will be from Mokulele Highway, State Route 311, at its intersection with Kamaaina Road/Mehameha Loop, which is approximately 1.4 miles northwest of the project site. The functional classification of Mokulele Highway is a major collector.

Decision and Order Condition 1.b: Pursuant to Land Use Commission (LUC) Docket No. A13-797, D&O Condition 1.b. "Petitioner shall fund and provide for the planning, design and construction of all recommended transportation improvements required to mitigate local and direct project generated and/or related transportation impacts, in accordance with the revised TIAR and required updates to the TIAR, as accepted by DOT, at no cost to the State, and in accordance with the requirements of the County of Maui Department of Public Works, as applicable. Petitioner shall also dedicate land to accommodate auxiliary lanes on Mokulele Highway, as required."

HDOT Response: The revised TIAR for Puunene Heavy Industrial Subdivision, prepared for CMBY 2011 Investment, LLC, dated September 2013, which was accepted by the HDOT on September 22, 2014 (HWY-PS 2013-117B, letter HWY-PS 2.8105), recommends in Table 13 and illustrates in Appendix I (Mokulele Highway Geometrics Plan prepared by Otomo Engineering Inc, dated January 4, 2012), the following:

1. Modify westbound approach to provide a separate right turn lane. Right-turn should be signalized to run concurrently with southbound left-turn.
2. Increase traffic signal cycle length to 75 seconds.
3. Provide acceleration lane for westbound to northbound right turns.
4. Lengthen southbound left turn deceleration lane from 60 ft. to 450 ft.

Given that the recommended transportation improvements are not required to mitigate background (without project) conditions, but only required to mitigate the with project deficiencies, and the Mokulele Highway intersection with Kamaaina Road/Mehameha Loop is the only access to/from the project site, the Petitioner, at its sole cost, shall be required to provide all of the foregoing recommended transportation improvements pursuant to the revised TIAR to mitigate local and direct project generated and/or related transportation impacts to State highway facilities to the satisfaction of the HDOT. Additional land for right-of-way (ROW) widening is not required, as the existing 4-lane divided highway configuration of Mokulele Highway with median and auxiliary lanes and 4-8 ft. wide shoulders is accommodated within the existing 200 to 218 ft. wide ROW.

D&O Condition 1.c: Pursuant to LUC Docket No. A13-797, D&O Condition 1.c. "Petitioner shall provide its fair share contribution toward the cost of regional transportation improvements to State highways, as determined by Petitioner and DOT. Regional improvements may also include the reservation and contribution of land for such improvements."

HDOT Response: The fair share contribution requirements for regional transportation improvements to State highways shall be the same improvements as those recommended transportation improvements to mitigate the local and direct project generated and/or related transportation impacts at the Mokulele Highway intersection with Kamaaina Road/Mehameha Loop, as recommended in Table 13 and presented above.

D&O Condition 1.d: Pursuant to LUC Docket No. A13-797, D&O Condition 1.d. "Petitioner shall provide and complete all transportation improvements as recommended in the DOT - accepted Revised TIAR prior to the certificate of occupancy for the first building in the Project being issued by the County of Maui."

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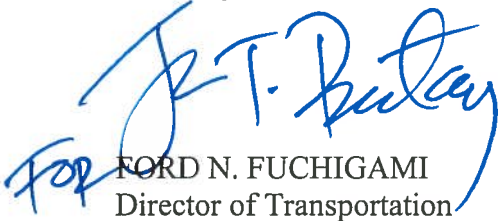
HWY-PS 2.3600

HDOT Response: The Petitioner shall submit construction plans of the above recommended transportation improvements at the Mokulele Highway intersection with Kamaaina Road/ Mehameha Loop for review and approval and construct and complete said transportation improvements with the approval of the HDOT and the County of Maui Department of Public Works.

The conditions in County Ordinance No. 4219, Bill No. 43, and Ordinance No. 4220, Bill No. 44 are identical to the foregoing LUC D&O conditions.

Should you have any questions, please contact Ken Tatsuguchi, Engineering Program Manager, Highways Planning Branch, at (808) 587-1830, referencing file review number PS 2013-117A.

Sincerely,


FORD N. FUCHIGAMI
Director of Transportation