

EXHIBIT M-3

**Letter dated October 11, 2019 from Tyler K. Fujiwara of Austin Tsutsumi
& Associates**



TERRANCE S. ARASHIRO, P.E.

ADRIENNE W.L.H. WONG, P.E., LEED AP

DEANNA M.R. HAYASHI, P.E.

PAUL K. ARITA, P.E.

ERIK S. KANESHIRO, L.P.L.S., LEED AP

MATT K. NAKAMOTO, P.E.

GARRETT K. TOKUOKA, P.E.

ADRIENNE W.L.H. WONG, P.E., LEED AP

Maui Branch Manager

#16-582

October 11, 2019

Mr. Paul Cheng
Maui Oceanview LP
2525 McKinney Ave., Suite B
Dallas, TX 75201

Dear Mr. Cheng:

**Subject: Memorandum for Pulelehua Traffic Impact Analysis Report (TIAR)
Comparing Maui Land & Pineapple Co. Inc. 2009 TIAR vs.
Maui Oceanview LP 2019 TIAR
Lahaina, Maui, Hawaii**

The purpose of this memorandum by Austin, Tsutsumi & Associates, Inc. (ATA) is to document the updates to the Maui Oceanview LP Traffic Impact Analysis Report (TIAR) and comparison to the last approved TIAR for the proposed Pulelehua development by Maui Lani and Pineapple Co. Inc. (MLP) located in Lahaina, Maui, Hawaii.

Project Description

An EIS for MLP's Pulelehua development was previously completed in August 2005. As part of the finalized June 2006 State Land Use Commission (LUC) Decision and Order (D&O), a revised TIAR was required as part of the LUC conditions. The revised TIAR was completed and submitted to DOT in May 2009 and was approved in September 2010 ("Approved 2009 MLP TIAR").

On September 2006 Maui Oceanview LP purchased the Pulelehua lands from MLP and subsequently filed a motion to amend the June 2006 LUC 1D&O on November 2017. As part of the motion to amend filing, an updated TIAR was prepared by ATA, with the final version completed and submitted to LUC dated August 13, 2019 ("2019 Maui Oceanview LP TIAR"). This memo serves to compare the TIAR assumptions and findings from the Approved 2009 MLP TIAR and the current 2019 Maui Oceanview LP TIAR.

Approved 2009 MLP TIAR and 2019 Maui Oceanview LP TIAR Comparison

Table 1 shows the differences between the Approved 2009 MLP TIAR and the 2019 Maui Oceanview LP TIAR. In addition to the changes noted in Table 1, trip generation rates and intersection analysis methodology were also updated in the 2019 Maui Oceanview LP TIAR to reflect the latest editions of the Institute of Transportation Engineers (ITE) Trip Generation Manual and Transportation Research Board Highway Capacity Manual.



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Table 1 – Approved 2009 MLP TIAR and the 2019 Maui Oceanview LP TIAR Comparison

Topic	Approved 2009 MLP TIAR	2019 Maui Oceanview LP TIAR
Existing Traffic Counts	<ul style="list-style-type: none"> February 2008 (No portion of Lahaina Bypass Road constructed) Weekday AM and PM peak hours 	<ul style="list-style-type: none"> December 2016 (Lahaina Bypass Road Phases 1A and 1B-1 constructed) May 2018 at Keawe Street intersection (Lahaina Bypass Road Phase 1A, 1B-1 and 1B-2 constructed) Weekday AM, PM and Saturday midday peak hours
Background Developments and Growth	<ul style="list-style-type: none"> Annual defacto growth rates based on the Maui Regional Travel Demand Model including trips generated by Kaanapali 2020, DHHL Villages of Leialii, Puunoa, Wainee, Kahoma, Puukolii Mauka and Kapalua Mauka 	<ul style="list-style-type: none"> Annual defacto growth rate plus trips generated separately by Pailolo Place, Mahana Estates, Waialele Ridge, Honua Kai Townhouses, Westin Nanea Ocean Villas, West Maui Hospital and Medical Center, Kaiaulu Affordable Homes, Lanikeha Kaanapali, HHFDC Keawe Street Apartments, Lahaina Business Park Infill, Lahaina Cannery Mall Gas Station, Kahoma Village, Kaiaulu o Kupuohi Apartments, and Kahoma Residential Subdivision.
Build-Out Year and Phasing	<ul style="list-style-type: none"> Year 2017 10-year build-out 	<ul style="list-style-type: none"> Year 2022 (Phase 1) Year 2025 (Phase 2) Year 2030 (Phases 3, 4 and 5) Year 2035 (DOE Elementary School) 11-year build-out for Pulelehua (not including the school, which will be constructed by the DOE) Assumed 16-year build-out for DOE School.



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Topic	Approved 2009 MLP TIAR	2019 Maui Oceanview LP TIAR
Pulelehua Land Use	<ul style="list-style-type: none"> • 995 Residential Units <ul style="list-style-type: none"> ○ 534 Single Family ○ 112 Ohana Units ○ 349 Multi-Family • 100,000 SF Retail/Office • 10.2-Acre Park • 550-Student Elementary School • 15,000 SF Recreational/Wellness Center • 15,000 SF Church 	<ul style="list-style-type: none"> • 1,000 Residential Units <ul style="list-style-type: none"> ○ 100 Single Family Lots ○ 100 Ohana Units ○ 800 Multi-Family • 70,000 SF Retail • 10-Acre Park • 750-Student Elementary School
Trip Generation Volumes	<ul style="list-style-type: none"> • 887(1098) AM(PM) Trips 	<ul style="list-style-type: none"> • 1056(928)[1043] AM(PM)[SAT] Trips
Project Accesses via Honoapiilani Highway	<ul style="list-style-type: none"> • Three (3) accesses • North Road (N. of Kahana Ridge), Akahahele Street and South Road (S. of Mahinahina Gulch) 	<ul style="list-style-type: none"> • Three (3) accesses along Project Frontage • North RIRO Access, Akahahele Street and Road J (S. of Mahinahina Gulch)
Roadway Improvement Recommendations	<p><u>Base Year</u></p> <ul style="list-style-type: none"> • Widen Honoapiilani Highway from 4 to 6 lanes from north of Puukolii Road (for LOS E) or north of Lower Honoapiilani Road (for LOS D) to south of Keawe Street • Grade separation at Honoapiilani Highway & Kaanapali Parkway intersection <p><u>Future Year</u></p> <ul style="list-style-type: none"> • Widen Honoapiilani Highway from 1 to 2 southbound through lanes from Akahahele Street to Lower Honoapiilani Road • Widen Akahahele Street westbound at Honoapiilani Highway to dual left-turn lanes 	<p><u>Base Year</u></p> <ul style="list-style-type: none"> • Widen Kaanapali Parkway eastbound at Honoapiilani Highway from 1 to 2 left-turn lanes • Restripe Kapunakea Street eastbound at Honoapiilani Highway to provide an exclusive left-turn lane <p><u>Future Year</u></p> <ul style="list-style-type: none"> • Lengthen left-turn lanes at Honoapiilani Highway/Akahahele Street and optimize signal timing • Monitor Project's south access intersection with Honoapiilani Highway and signalize if warranted.



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Evaluation of Approved 2009 MLP TIAR and the 2019 Maui Oceanview LP TIAR

Existing Traffic Counts

The 2019 Maui Oceanview LP TIAR includes new traffic count data that reflects current existing conditions. The new traffic count data includes the completion of Phases 1A, 1B-1 and 1B-2 of the Lahaina Bypass Road (LBR). Based on these 2016/2019 traffic counts, roughly an 8 to 10-year period from when the Approved 2009 MLP TIAR was completed, there has been:

- No growth in traffic along Honoapiilani Highway between Napilihau Street to Lower Honoapiilani Road.
- Slight increase of 50-200 vehicles along Honoapiilani Highway from Lower Honoapiilani Road to Keawe Street.

Based on the limited growth described above, the projected background growth in the Approved 2009 MLP TIAR was not realized and significantly over-projected. The Approved 2009 MLP TIAR assumed traffic growth of 200-400 AM vehicles and 300-600 PM vehicles throughout the entire study area along Honoapiilani Highway. This over-projection is primarily attributed to inclusion of major known developments that were not constructed in the West Maui region.

Background Development and Growth

Consistent with acceptable standards, the 2019 Maui Oceanview LP TIAR includes trips generated from known background developments in the study area in addition to ambient growth. This overall background traffic growth increases traffic along Honoapiilani Highway by 300-500 vehicles south of Lower Honoapiilani Road and 100-200 vehicles north of Lower Honoapiilani Road.

As noted above, the Approved 2009 MLP TIAR significantly over-projected traffic in the study area by 200-400 vehicles in some areas, due to numerous developments not constructed over this 8 to 10-year period. For this reason, traffic growth in the 2019 Maui Oceanview LP TIAR is still likely conservative.

Build-Out Year

The 2019 Maui Oceanview LP TIAR assumes an 11-year build-out timeframe for Pulelehua (phases 1 to 5), similar to the 10-year build-out timeframe in the Approved 2009 MLP TIAR. The 2019 Maui Oceanview LP TIAR provides analysis of iterative traffic scenarios that coincide with specific phases of the Project, which will allow roadway improvements to be implemented in conjunction with incremental phases of development for Pulelehua.

Pulelehua Land Use & Trip Generation

The mix of land uses proposed for Maui Oceanview LP's Pulelehua site plan is generally similar to the approved MLP plan, with some differences. Both plans proposed similar residential unit counts, with 995 units for the MLP plan and 1,000 units for the Maui Oceanview LP plan. However, Maui Oceanview LP proposes a majority of multi-family rental apartments, which is a



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change from MLP's plan to provide mostly single-family homes. Maui Oceanview LP also proposes a smaller retail component and removal of the previously proposed church and recreational/wellness center. The Maui Oceanview LP plan accounts for a higher student enrollment at the proposed school. It should be noted that the planning and decision-making for student enrollment at this proposed school was identified by the State DOE's West Maui Elementary School Master Plan and is outside of Maui Oceanview LP's purview.

Based on Maui Oceanview LP's proposed land plan, the current project would generate 169 more AM peak hour trips and 170 less PM peak hour trips than the MLP plan. The Approved 2009 MLP TIAR used trip generation rates from the ITE Trip Generation Manual 8th Edition, while the 2019 Maui Oceanview LP TIAR used the most current ITE Trip Generation Manual 10th Edition. Since trip rates differ for all land uses from the 8th and 10th edition, resulting trips cannot equally be compared between the 2019 Maui Oceanview LP TIAR and Approved 2009 MLP TIAR.

The increase in AM peak hour trips for the 2019 Maui Oceanview LP plan is mainly attributed to the ITE 10th Edition trip rate increase and higher enrollment for the proposed school. However, this increase does not majorly impact the findings of the study for the following reasons:

- North of Lahainaluna Road, the only school in the region is the Maui Preparatory Academy (private school) in Napili. Therefore, all elementary DOE students that live in the Kaanapali, Honokowai, Napili and Kapalua areas attend the two (2) elementary schools in town. The proposed elementary school in the Pulelehua site will cut down the regional traffic in/out of Lahaina Town since parents that are already making the drive into town will instead be diverted a shorter distance to the Pulelehua site to drop off their children.
- The PM peak hour is generally more critical than the AM peak hour, so Project increases from Pulelehua in the AM peak hour are not as impactful.

Since the current Maui Oceanview LP plan generates 170 less vehicles during the more critical PM peak hour, the critical impacts to Honoapiilani Highway are less.

Maui Oceanview LP intends to convert the majority of residential units to rental apartment, which differs from MLP's previously proposed for-sale single-family units. The Maui Metropolitan Planning Organization (MPO) and the West Maui Commuter Needs Survey, compiled by Lahaina Bypass Now in January 2007 estimates that 30-35 percent of the entire West Maui workforce commutes to work to/from the Central, South and East Maui regions. The Maui Oceanview LP plan could provide the needed rental housing in West Maui that is geared towards the local workforce, to help reduce some of the existing regional traffic over the Pali on a daily basis. Since this cannot be quantified, the 2019 Maui Oceanview LP TIAR does not account for this regional reduction.

Roadway Improvement Recommendations & Fair Share

The most notable change in the 2019 Maui Oceanview LP TIAR is the removal of recommendations for regional road widening along Honoapiilani Highway, which was removed for the following reasons:



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- At the time the Approved 2009 MLP TIAR was finalized, only phase 1A of the LBR was being constructed from Keawe Street to Lahainaluna Road. LBR phase 1B-1 and 1B-2, which extends further south from Lahainaluna Road to Launiupoko, was only in the design stage. Since the completion of LBR phases 1B-1 and 1B-2 and subsequent north extension with phase 1C was uncertain in 2009, Honoapiilani Highway widening was viewed as the alternative solution to mitigate capacity issues in lieu of the future LBR extensions. Based on current 2019 conditions, LBR phases 1A, 1B-1 and 1B-2 have been completed. HDOT has listed LBR phase 1C as a high priority capacity improvement for the island of Maui and is actively pursuing funding for its construction. Therefore, construction of LBR 1C is a feasible improvement that will likely be implemented in the future, negating the need for Honoapiilani Highway widening as an alternative capacity solution. Widening Honoapiilani Highway between Akahahele Street and Keawe Street is also not identified as HDOT's long-range capacity improvement.
- The current generally acceptable thresholds for intersection analysis allows mainline through movement along Honoapiilani Highway and the overall intersection Level of Service (LOS) to operate at LOS D or better. Some side street approaches and mainline left-turn movements are allowed to operate at LOS E/F condition (likely due to low volume or long cycle lengths) as long as each movement operates below capacity and storage lanes can accommodate associated queues. The 2019 Maui Oceanview LP TIAR recommends optimizing the signal timing at the Akahahele Street intersection and lengthening left-turn lanes to accommodate the traffic increases at all three (3) Project accesses, meeting thresholds that do not require the widening of Honoapiilani Highway.
- HDOT recommended a new LUC condition for Maui Oceanview LP's LUC D&O. This condition will require Maui Oceanview LP to update the TIAR prior to construction of Pulelehua Phases 3, 4 and 5. This update or "monitoring" of the study intersections after Pulelehua Phases 1 and 2 is constructed, gives assurances to HDOT that TIAR recommendations fall in line with projected traffic conditions and if there are any unforeseen issues, Maui Oceanview LP will mitigate to HDOT's satisfaction prior to construction of Pulelehua Phases 3, 4 and 5.
- Consistent with the original LUC D&O condition, Maui Oceanview LP will contribute its fair share towards regional roadway improvements in the study area. As HDOT requested in their proposed update to the LUC D&O, Maui Oceanview LP's fair share will be based on the total costs for LBR phases 1A, 1B-1, 1B-2 and 1C, with Maui Oceanview LP's contribution being applied to the future LBR phase 1C improvement. This condition should more than adequately address Maui Oceanview LP's regional fair share contribution since it retroactively accounts for fair share costs for the already completed LBR phase 1A, 1B-1 and 1B-2 improvements as well as the future phase 1C improvement.



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Maui Oceanview LP

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We appreciate the opportunity to prepare this memorandum for Maui Oceanview LP's Pulelehua Project. Should you require clarification, please contact me at (808) 244-8044.

Sincerely,

AUSTIN, TSUTSUMI & ASSOCIATES, INC.

By 

TYLER K. FUJIWARA, P.E.
Chief Transportation Manager – Maui