

NEIL ABERCROMBIE
GOVERNOR



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

FORD N. FUCHIGAMI
INTERIM DIRECTOR

Deputy Directors
RANDY GRUNE
AUDREY HIDANO
ROSS M. HIGASHI
JADINE URASAKI

IN REPLY REFER TO:

Board of Land and
Natural Resources
State of Hawaii
Honolulu, Hawaii

CONSENT TO SUBLEASE
RESTAURANT AND LOUNGE CONCESSION LEASE NO. DOT-A-07-0012
VOLUME SERVICES, INC. DBA CENTERPLATE TO
KBS "KONA'S BEST SNACKS" LLC
KONA INTERNATIONAL AIRPORT AT KEAHOLE
TMK: (3) 7-3-43: 1 (PORTION) HAWAII

PURPOSE:

To sublease a portion of the restaurant and lounge concession premises at the Kona International Airport at Keahole (KOA).

LEGAL REFERENCE:

Chapters 102 and 171, Hawaii Revised Statutes, as amended.

LESSEE/SUBLESSOR (APPLICANT):

Volume Services, Inc., dba Centerplate (VS), a Delaware Corporation

SUBLESSEE:

KBS "KONA'S BEST SNACKS" LLC (KBS)

LOCATION AND TAX MAP KEY:

Portion of Kona International Airport, Kona, Island of Hawaii, Hawaii, identified by Tax Map Key: 3rd Division, 7-3-43: 1 (Portion)

ZONING:

State Land Use District: Urban
County of Hawaii: Industrial (MG-1a)

ITEM M-12

LAND TITLE STATUS:

Section 5(a), Hawaii Admissions Act: Ceded
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: No

LEASE TERM:

The Restaurant and Lounge Lease No. DOTA-07-0012 (Lease) at Kona International Airport at Keahole commenced on December 1, 2007, and expires November 30, 2017.

SUBLEASE TERM AND AREA:

New Sublease effective March 28, 2014, with not to exceed date of March 28, 2015.
KBS to operate out of Space No. 344-115, containing an area of approximately 62 square feet, as shown on Exhibit G dated June 2007.

CONCESSION FEE:

The total annual concession fee is the greater of the: (a) Minimum Annual Guaranteed Fee of \$274,944.29 for the current contract year, December 1, 2013 thru November 30, 2014; or (b) the sum of the percentage fees based on categorical gross receipts.

SUBLEASE FEE:

The Sublease calls for payment of fifteen percent (15%) of Sublessee’s gross receipts for the preceding month to VS within ten (10) business days after the end of each month.

REMARKS:

Lessee is required by the Lease to provide opportunity to a Disadvantaged Business Enterprise (DBE). Lessee provides participation by subletting a portion of its premises at KOA to a certified DBE. Lessee’s previous DBE sublessee terminated its operation at KOA as of January 13, 2014, and KBS is VS’s replacement to fulfill its DBE contract requirement. KBS recently received its DBE certification May 6, 2014, from the DOT.

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Volume Services, Inc. to KBS “Kona’s best Knacks”, LLC
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RECOMMENDATION:

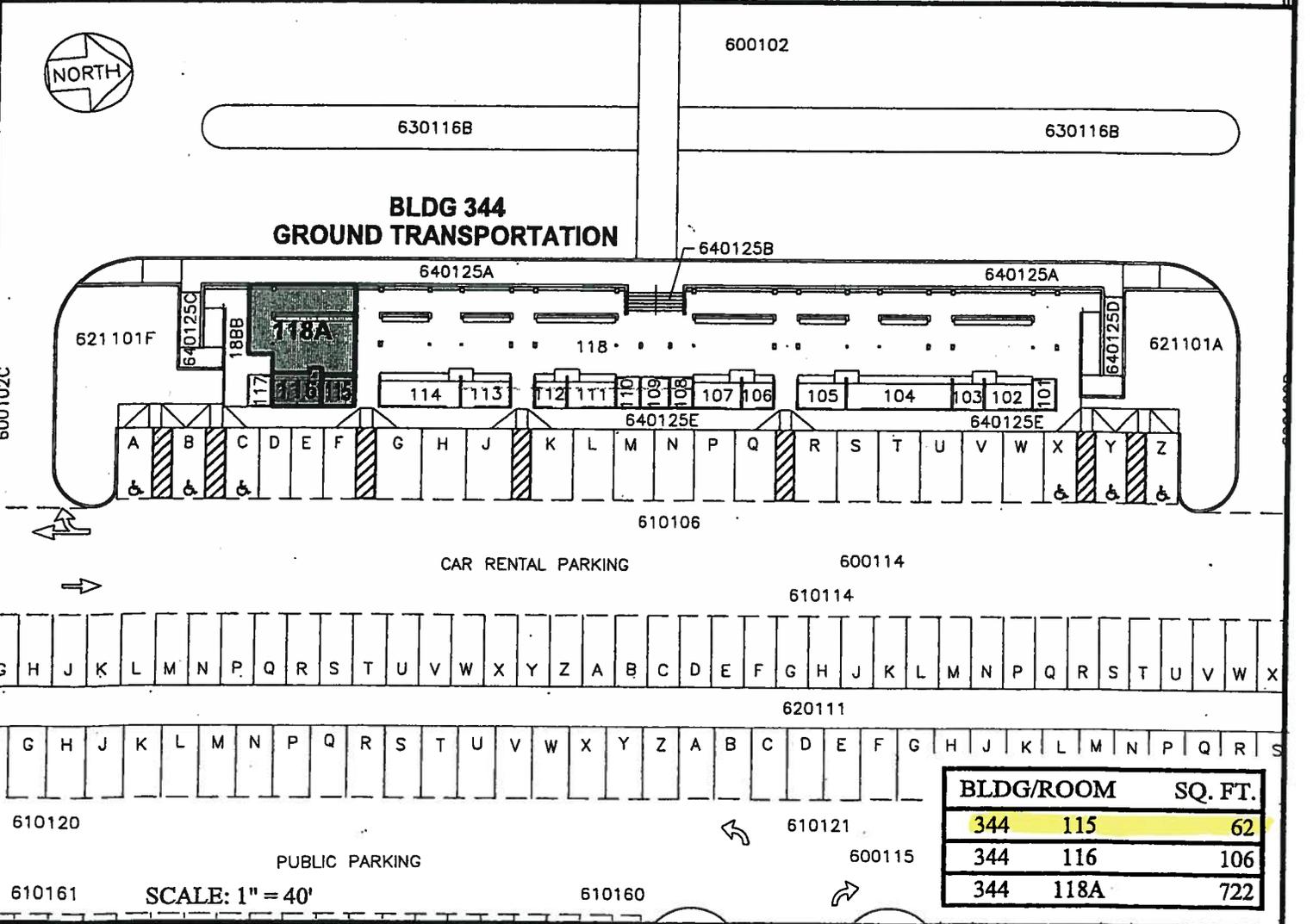
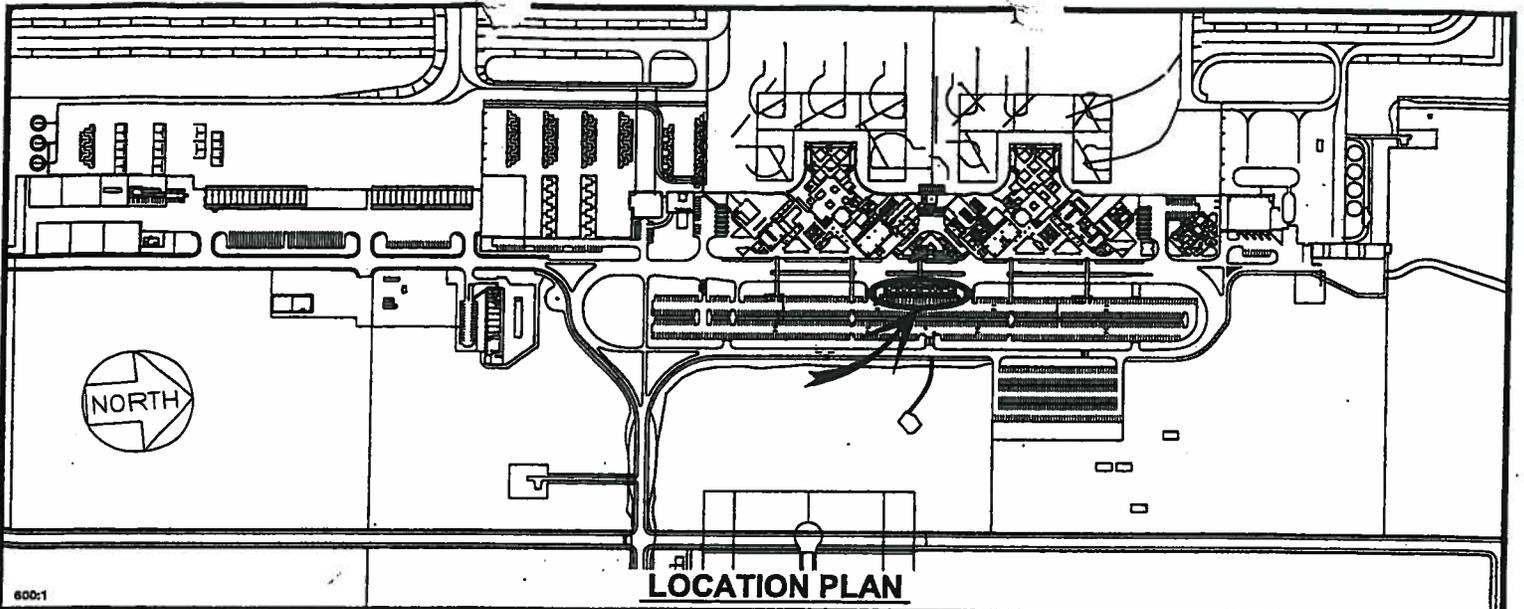
That the Board authorize the DOT to approve the Consent to Sublease between VS, as Lessee/Sublessor, and KBS, as Sublessee, subject to: (1) terms and conditions hereinabove outlined, which are by reference incorporated herein; (2) such terms and conditions as may be prescribed by the Director of Transportation to best serve the interests of the State; and (3) review and approval by the Department of the Attorney General as to the Consent to Sublease form and content.

Respectfully submitted,

FORD N. FUCHIGAMI
Interim Director of Transportation

APPROVED FOR SUBMITTAL:


WILLIAM J. AILA, JR.
Chairperson and Member



DATE : JUNE 2007

EXHIBIT: **G**



Airports Division

RESTAURANT AND
LOUNGE CONCESSION

BUILDING 344
GROUND TRANSPORTATION
GROUND LEVEL

344-115
344-116
344-118A
PLATS D1, 38