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

AMENDMENT NO. 4 TO CONCESSION AGREEMENT NO. DOT-A-07-0001
IN-BOND (DUTY FREE) CONCESSION
HONOLULU INTERNATIONAL AIRPORT

The Department of Transportation (DOT) proposes to amend the existing In-Bond (Duty Free) Concession Agreement No. DOT-A-07-0001 at Honolulu International Airport. The following contains a brief description and summary of some of the major terms and conditions that the DOT anticipates incorporating into the amendment:

PURPOSE:

To amend the existing In-Bond (Duty Free) Concession Agreement at Honolulu International Airport to allow for additional space to service the traveling public. Under Article III (Premises) of the Concession Agreement, the specific area assigned or provided for the concession may be changed at the discretion of the Director of Transportation.

APPLICANT:

DFS GROUP, L.P.

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended.
LOCATION AND TAX MAP KEY:

Honolulu International Airport, Island of Oahu, Hawaii Terminal Complex, 1st Division, 1-1-03: Portion of 1.

ZONING:

State Land Use District: Urban
City and County of Honolulu: I-2 (Industrial)

LAND TITLE STATUS:

Section 5 (a) and 5 (b) lands of the Hawaii Admission Act: Non-Ceded
DHHL 30% entitlement lands: Yes ____ No __X

LEASE TERM:

The In-Bond (Duty Free) Concession Agreement No. DOT-A-07-0001 began on June 1, 2007 and continues through May 31, 2017.

IMPROVEMENTS:

Applicant will construct, install and cover all costs for improvements to Building 342, Space No. 220G.

ADDITIONAL SPACE:

Building 342, Space No. 220G, containing an area of approximately 417 square feet as shown on the attached Exhibit I, dated November 2011.

ANNUAL FEE:

CONCESSIONAIRE shall pay for the additional space requested and granted by the STATE, the annual sum of TWENTY-SIX THOUSAND TWENTY AND 80/100 DOLLARS ($26,020.80) based on the applicable rental rate at $62.40 per square foot per annum. All revenue generated by the Additional Space shall be reported as Gross Receipts under the Concession Agreement.

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT

Pursuant to Section 11-200-8(a), Environmental Impact Statement Rules of the Department of Health, State of Hawaii, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or
environmental impact statement as required by Chapter 343, Hawaii Revised Statutes, as amended, relating to Environmental Impact Statements, because the proposed action falls within Exemption Class #1, Comprehensive Exemption List for the State of Hawaii, Department of Transportation dated November 14, 1990, as approved by the Environmental Quality Council. Exemption Class #1 covers operations, repairs, or maintenance of existing structures, facilities, equipment, or topographical features involving negligible or no expansion or change of use beyond that previously existing.

REMARKS:

The DOT has reviewed the request and has determined that due to the improvements within the airport terminal, the additional In-Bond (Duty Free) space will allow the applicant to better serve the traveling public.

RECOMMENDATION:

That the Board authorizes the Department of Transportation to amend the existing Concession Agreement No. DOT-A-07-0001 subject to: 1) terms and conditions herein outlined, which are by reference incorporated herein; 2) such other terms and conditions as may be prescribed by the Director of Transportation to best serve the interest of the State; and 3) review and approval by the Department of the Attorney General.

Respectfully submitted,

GLENN M. OKIMOTO, Ph.D.
Director of Transportation

APPROVED FOR SUBMITTAL:

WILLIAM J. AILA, JR.
Chairperson and Member