AMENDMENT NO. 1 TO RESTAURANT AND LOUNGE
CONCESSION AGREEMENT NO. Dot-A-11-0006
HOST INTERNATIONAL, INC., LIHUE AIRPORT

KaUAI

PURPOSE:

To amend the existing “Article III. Premises” of the Restaurant and Lounge Concession Agreement (Agreement) at Lihue Airport.

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended.

APPLICANT:

HOST INTERNATIONAL, INC. (HOST), its mailing address is 6905 Rockledge Drive, Bethesda, Maryland 20817.

LOCATION AND TAX MAP KEY:

Lihue Airport, Tax Map Key: 4th Division: 3-5-01: Portion of 8

ZONING:

State Land Use District: Urban
County of Kauai: Industrial (IG-STP)

LAND TITLE STATUS:

Section 5(a) lands of the Hawaii Admissions Act: Non-Ceded
DHHL 30% entitlement lands: No
BLNR -- Amendment No. 1 to
Concession Agreement No. DOT-A-11-0006
Host International Inc.

TEN-YEAR TERM:

The term of this Agreement commenced on October 1, 2011, and will expire on September 30, 2021.

COMMENCEMENT DATE:

Upon execution of Amendment to Concession Agreement.

PREMISES:

LIHUE AIRPORT ("Airport")

A. EXISTING SPACES AT COMMENCEMENT OF THE AGREEMENT ("Initial Allocation"):

1. Restaurant and Lounge (Sales) Space.
   a. Space No. 306-218A, Lihue Main Terminal Building, containing approximately 5,177 square feet as shown on Exhibit B dated February 2011;
   b. Space No. 306-218B, Lihue Main Terminal Building, containing approximately 1,398 square feet as shown on Exhibit B dated February 2011.

2. Storage (Non-Sales) Space.
   a. Space No. 306-139C, Lihue Main Terminal Building, containing approximately 2,389 square feet as shown on Exhibit C dated February 2011;
   b. Space No. 306-139D, Lihue Main Terminal Building, containing approximately 595 square feet as shown on Exhibit C dated February 2011.

B. ADDITIONAL (NEW) SPACE FOR FOOD AND BEVERAGE SALES.

1. Space No. 307-104, containing approximately 64 square feet as shown on the attached Exhibit D (Amendment No. 1) dated December 2011, attached hereto.
BLNR – Amendment No. 1 to
Concession Agreement No. DOT-A-11-0006
Host International Inc.

2. Space No. 307-105, containing approximately 64 square feet as shown on
the attached Exhibit D (Amendment No. 1) dated December 2011,
attached hereto.

ANNUAL CONCESSION FEE:

No additional square footage floor rent will be charged for the additional spaces since it
was the STATE’s request that HOST operate at the location.

Currently, HOST pays the greater of the: (1) Minimum Annual Guaranteed Fee (MAG)
for the first year as set forth in its Bid Proposal and the MAG for each succeeding
agreement year shall be 85% of the actual annual fee paid and payable to the STATE
(either MAG or Percentage) OR (2) Percentage Fee on its annual gross receipts, as
provided in Article VI.A.1.b.

IMPROVEMENTS:

HOST will construct/install and cover all costs of improvements to the additional spaces.

CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

Pursuant to Section 11-200-8 (a), Hawaii Administrative Rules, this disposition is exempt
from the requirement regarding preparation of an environmental assessment, as required
by Chapter 343, Hawaii Revised Statutes, as amended, because the proposed action falls
within Exemption Class #1, Comprehensive Exemption List for the State of Hawaii,
Department of Transportation dated November 15, 2000, as approved by the
Environmental 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:

On February 23, 2007, under agenda Item M-2, the Land Board approved DOTA’s
request to offer for bid a Restaurant and Lounge Concession Agreement at the Lihue
Airport.

Subsequent to the Bid Process, the DOTA and HOST entered into that certain Concession
Agreement No. DOT-A-11-0006 dated September 8, 2011, for the Restaurant and
Lounge Concession at the Lihue Airport.
RECOMMENDATION:

The Board authorizes the Department of Transportation to amend: 1) Article III. Premises of the subject Agreement as 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 interests 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