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

CONSENT TO SUBLEASE AMENDMENT  
RETAIL CONCESSION AGREEMENT NO. DOT-A-09-0002  
DFS GROUP L.P. TO ISLAND SHOPPERS, INC.  
HONOLULU INTERNATIONAL AIRPORT  
TMK: (1) 1-1-03: PORTION OF 1  

OAHU  

The Department of Transportation (DOT) is seeking the Board's consent for an amendment to  
the sublease between DFS Group L.P. (DFS) and Island Shoppers, Inc. (IS) for the Honolulu  
Retail Concession Agreement at the Honolulu International Airport  

PURPOSE:  

To amend the sublessee’s portion of the concession premises at the Honolulu  
International Airport.  

LEGAL REFERENCE:  

Chapter 102 and Section 261-7, Hawaii Revised Statutes, as amended.  

CONCESSIONAIRE/LESSOR (APPLICANT):  

DFS Group, L.P.  

SUBLESSEE:  

Island Shoppers, Inc.  

LOCATION AND TAX MAP KEY:  

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

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ZONING:

State: Urban  
County: Industrial (I-2)

LAND TITLE STATUS:

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

CONCESSION AGREEMENT TERM:

The Concession Agreement No. DOT-A-09-0002 (Agreement) for the Honolulu Retail Concession began on April 1, 2009, and continues through March 31, 2014.

INITIAL SUBLEASE AREA:

Space No. 350-217, containing an area of approximately 544 sq. ft. of retail floor area  
Space No. 350-218A, containing an area of approximately 919 sq. ft. of retail floor area  
Space No. 350-247, containing an area of approximately 350 sq. ft. of retail floor area  
Space No. 350-248, containing an area of approximately 539 sq. ft. of retail floor area  
Space No. 350-249A, containing an area of approximately 554 sq. ft. of retail floor area

ADDITIONAL SUBLEASE AREA:

Space No. 373-264, containing an area of approximately 148 sq. ft. of retail floor area  
Space No. 373-265, containing an area approximately 132 sq. ft. of retail floor area

SUBLEASE TERM:

Term commenced on April 1, 2009, and continues through the end of the Agreement term.

USE:

The retail sales of DFS pre-approved Island Shoppers merchandise as part of its Retail Concession at Honolulu International Airport.
CONCESSION FEE:

DFS pays an annual Concession Fee based on the greater of a Minimum Annual Guaranteed Fee (MAG) or 20% of the DFS’ annual gross receipts.

DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL:

Island Shoppers is a certified DBE as defined in the Code of Federal Regulations Title 49, Part 23, Subpart F, and serves to fulfill the DBE concession participation goal of 15% of Gross Receipts.

REMARKS:

DOT’s goal is to encourage participation in airport concessions by DBE’s. By subletting a portion of its Concession’s premises to a certified DBE, DFS is satisfying its DBE objective as defined in the Concession bid documents.

RECOMMENDATION:

That the Board authorize the DOT to consent to the sublease amendment as hereinabove outlined, subject to the 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