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

CONSENT TO SUBLEASE 
RETAIL CONCESSION AGREEMENT NO. DOT-A-11-0005 
DFS GROUP L.P. TO MAUI DIVERS OF HAWAII, LTD. 
KAHULUI AIRPORT 
TAX MAP KEY: (2) 3-8-001: 19 (PORTION)

MAUI

PURPOSE:
To sublease a portion of the concession premises at Kahului Airport.

LEGAL REFERENCE:
Chapters 102 and Section 261-7, Hawaii Revised Statutes, as amended.

CONCESSIONAIRE/SUBLESSOR (APPLICANT):
DFS Group, L.P. (DFS)

SUBLESSEE:
Maui Divers of Hawaii, Ltd. (MD)

LOCATION AND TAX MAP KEY:
Kahului Airport, Terminal Complex, 
2nd Division: 3-8-001-019 (Portion), Island of Maui, Hawaii

ZONING:
State: Urban
County: Industrial (I-2)
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LAND TITLE STATUS:

Section 5(a), Hawaii Admissions Act: Non-Ceded
DHHL 30% entitlement lands: No

CONCESSION AGREEMENT TERM AND PREMISES:

Concession Agreement No. DOT-A-11-0005 (Agreement) for the Retail Concession at Kahului Airport began on September 1, 2011 and continues through August 31, 2016.

Premises are comprised of the following:


SUBLEASE TERM AND PREMISES:

Term commenced on September 1, 2011, and continues through the end of the Agreement term.

Initially, at commencement of Agreement, premises at Kahului Airport Main Terminal Building 330, Space No. 207B (Exhibit C, dated January 2011); which is to be replaced by Main Terminal Building 342, Space No. 223, pending the completion of its improvements (Exhibit G, dated December 2012).

USE:

Sale of Maui Diver’s merchandise as part of DFS’ Retail Concession at Kahului Airport.

CONCESSION FEE:

For the first agreement year, September 1, 2011 thru August 31, 2012, the Concessionaire paid twenty percent (20%) of its Gross Receipts as its Annual Concession Fee.

For the remaining term of the Concession Agreement, the total Annual Concession Fee shall be the greater of the MAG (85% of the actual annual fee paid and payable for the preceding year) or a Percentage Fee (the product of the percentage rate, based on the Concessionaire’s annual gross receipts for the preceding agreement year in accordance with Table 1 of Article VI.A.1. (Annual Concession Fee) and the Concessionaire’s gross receipts for the current agreement year).
IMPROVEMENTS:

All concession improvements are at CONCESSIONAIRE’s sole cost and expense and requires obtaining the STATE’s prior written approval for its construction/improvement plans. MD must notify and coordinate through DFS to obtain DOT’s approval for any and all design improvements and changes affecting the appearance and use of its premises.

REMARKS:

The DOT has reviewed the sublease and sublease fee and determined that the sublessee’s obligations are reasonable with no excess sandwich profit to be gained by the Applicant (Concessionaire/Sublessor).

RECOMMENDATION:

That the Board authorize the DOT to consent to the sublease as hereinabove outlined and to grant a Consent to Sublease, subject to the review and approval of 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
LOCATION PLAN

CENTRAL BLDG 330

207E  207D  207C

207A

204

207B

203

201

620210

OPEN

OPEN

62C

SCALE: 1" = 30'

BLDG/ROOM  SQ. FT.
330  201  1,895
330  204  2,387
330  207B  544
TOTAL AREA  4,826

RETAIL CONCESSION DOT-A-11-0005  DATE: JANUARY 2011  EXHIBIT: C

DFS GROUP, L.P.

BUILDING 330  CENTRAL  SECOND LEVEL

KAHULUI AIRPORT

Department of Transportation
State of Hawaii

Airports Division