

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 Hawai'i
Honolulu, Hawai'i

AMENDMENT NO. 4 TO CONCESSION AGREEMENT NO. DOT-A-11-0006
RESTAURANT AND LOUNGE CONCESSION AT LIHU'E AIRPORT TO
EXTEND LEASE TERM UNDER PROVISIONS OF ACT 46, SESSION LAWS
OF HAWAII 2012, AS AMENDED BY ACT 126, SESSION LAWS OF HAWAII
2014, TAX MAP KEY: (4)-3-5-01:8 (PORTION) KAUA'I

APPLICANT:

Host International Inc., its mailing address is 6905 Rockledge Drive, Bethesda,
Maryland 20817.

LEGAL REFERENCE:

Chapter 102, Hawai'i Revised Statutes, as amended.

Act 46, Session Laws of Hawai'i 2012, as amended by Act 126 Session Laws
of Hawai'i 2014.

LOCATION AND TAX MAP KEY:

Lihu'e Airport, Island of Kaua'i
4th Division, 3-5-01: 8 (Portion)

ZONING:

State Land Use District: Urban
County of Kaua'i : Airport

LAND TITLE STATUS:

Section 5 (a) and 5 (b) lands of the Hawai'i Admission Act: Non-Ceded
DHHL 30% entitlement lands: Yes ___ No X

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BLNR – AMENDMENT NO. 4 TO
CONCESSION AGREEMENT NO. DOT-A-11-0006
HOST INTERNATIONAL, INC.

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CONCESSION TERM:

The Restaurant and Lounge Concession Agreement No. DOT-A-11-0006 (Concession) began on October 1, 2011 and continues through September 30, 2021. Applicant, pursuant to Act 46, Session Laws of Hawai‘i 2012, as amended by Act 126 Session Laws of Hawai‘i 2014 has constructed improvements to the Concession and is seeking to extend the lease term to September 30, 2023, to enable it to amortize the cost of those improvements, as well as the cost of refurbishing some of its existing facilities. The improvements were constructed on additional space that was added to the Concession subsequent to the approval by the Board at its meeting of March 14, 2014 under Agenda Item M-7 (attached).

IMPROVEMENTS:

In Agenda Item M-7 noted above, the Board approved amending the Concession Agreement to add an additional of approximately 606 square feet of concession space in the central lobby area of the terminal building. Approval was given for the construction of new food and beverage facilities to serve travelers at Lihue airport. The Applicant has completed and put into service the new food and beverage facility. The expended approximately \$800,000 on its new facility.

CONCESSION FEE:

The existing concession fee is the greater of the minimum annual guarantee (MAG) or percentage fee. The MAG adjusts annually to 85% of what was paid and payable in the prior concession year.

CHAPTER 343, HRS – ENVIRONMENTAL ASSESSMENT

Pursuant to Section 11-200-8(a), Environmental Impact Statement Rules of the Department of Health, State of Hawai‘i, this disposition is exempt from requirements regarding preparation of an environmental assessment, negative declaration, or environmental impact statement as required by Chapter 343, Hawai‘i 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 Hawai‘i, Department of Transportation dated November 14, 2000 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.

BLNR – AMENDMENT NO. 4 TO
CONCESSION AGREEMENT NO. DOT-A-11-0006
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REMARKS:

Under the Act 46, Session Laws of Hawai‘i 2012, as amended by Act 126 Session Laws of Hawai‘i 2014, “...the department of transportation is allowed to upon mutual agreement with a concession and in exchange for revenue enhancing improvements that are made or paid for by the concession deemed acceptable by the department of transportation, may extend, modify, alter, or amend the terms of concession contracts, leases and permits.”

The DOT reviewed the request and determined that the proposed concession improvements within the airport terminal will allow the applicant to better serve the traveling public and the airports will benefit from the increase in concession activity.

RECOMMENDATION:

The Board authorizes the Department of Transportation to amend the existing Concession Agreement No. DOT-A-11-0006 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,



FORD N. FUCHIGAMI
Interim Director of Transportation

APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR.
Chairperson and Member

NEIL ABERCROMBIE
GOVERNOR



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

March 14, 2014

GLENN M. OKIMOTO
DIRECTOR

Deputy Directors
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RANDY GRUNE
AUDREY HIDANO
JADINE URASAKI

IN REPLY REFER TO:

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

AMENDMENT NO. 3 TO CONCESSION AGREEMENT NO. DOT-A-11-0006
RESTAURANT AND LOUNCE CONCESSION, ADDITIONAL SPACE
HOST INTERNATIONAL, INC.
LIHUE AIRPORT
TAX MAP KEY: (4) 3-5-01: 8 (PORTION)

LIHUE

PURPOSE:

To amend the existing Concession Agreement at Lihue Airport to allow for additional floor space to facilitate the food and beverage operations. Under Article III. (Premises) of the Lease, the specific area assigned or provided for the concession activity may be changed at the discretion of the Director of Transportation.

LEGAL REFERENCE:

Chapter 102, Hawaii Revised Statutes, as amended.

APPLICANT:

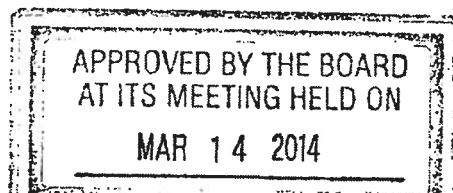
HOST INTERNATIONAL, INC., whose business address is 6905 Rockledge Drive, Bethesda, Maryland 20817.

LOCATION AND TAX MAP KEY:

Lihue Airport, Tax Map Key: (4) 3-5-01: 8 (Portion)

ZONING:

State Land Use District: Urban
County of Kauai: Airport



ITEM M-7

LAND TITLE STATUS:

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

LEASE COMMENCEMENT DATE:

October 1, 2011 through September 30, 2021.

ADDITIONAL PREMISES:

Building 306, Space No.219D, containing an area of approximately 606 square feet as shown on the attached Exhibit H, dated February 2014.

CONCESSION FEE:

No additional square footage floor rent will be charged. All gross receipts generated from the additional space will be included with the gross receipts of the concession. The concession pays the greater of minimum annual guaranteed fee or a percentage fee of gross receipts as provided in Article VI. (Concession Fee).

IMPROVEMENTS:

Applicant at its own cost and expense shall be responsible for any renovation, upgrade, remodeling, and improvement to the additional space.

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 #3, Comprehensive Exemption List for the State of Hawaii, Department of Transportation Amended November 15, 2000, as approved by the Environmental Quality Council. Exemption Class #3 covers the construction and location of single, new, small facilities or structures and the alteration and modification of same and installation of new, small equipment and facilities and the alteration and modification of same including, but not limited to: (d) Water, sewage, electrical, gas, telephone and other essential public utility services extensions to serve such structures or facilities and (e) Accessory or appurtenant structures.

REMARKS:

The Department of Transportation and Host International, Inc. entered into that certain Concession Agreement (DOT-A-11-0006), effective October 1, 2011, for the Restaurant and Lounge Concession at the Lihue Airport. The additional space will allow Host International, Inc. to better serve the traveling public.

RECOMMENDATION:


The Board authorize the Department of Transportation to: (1) amend 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

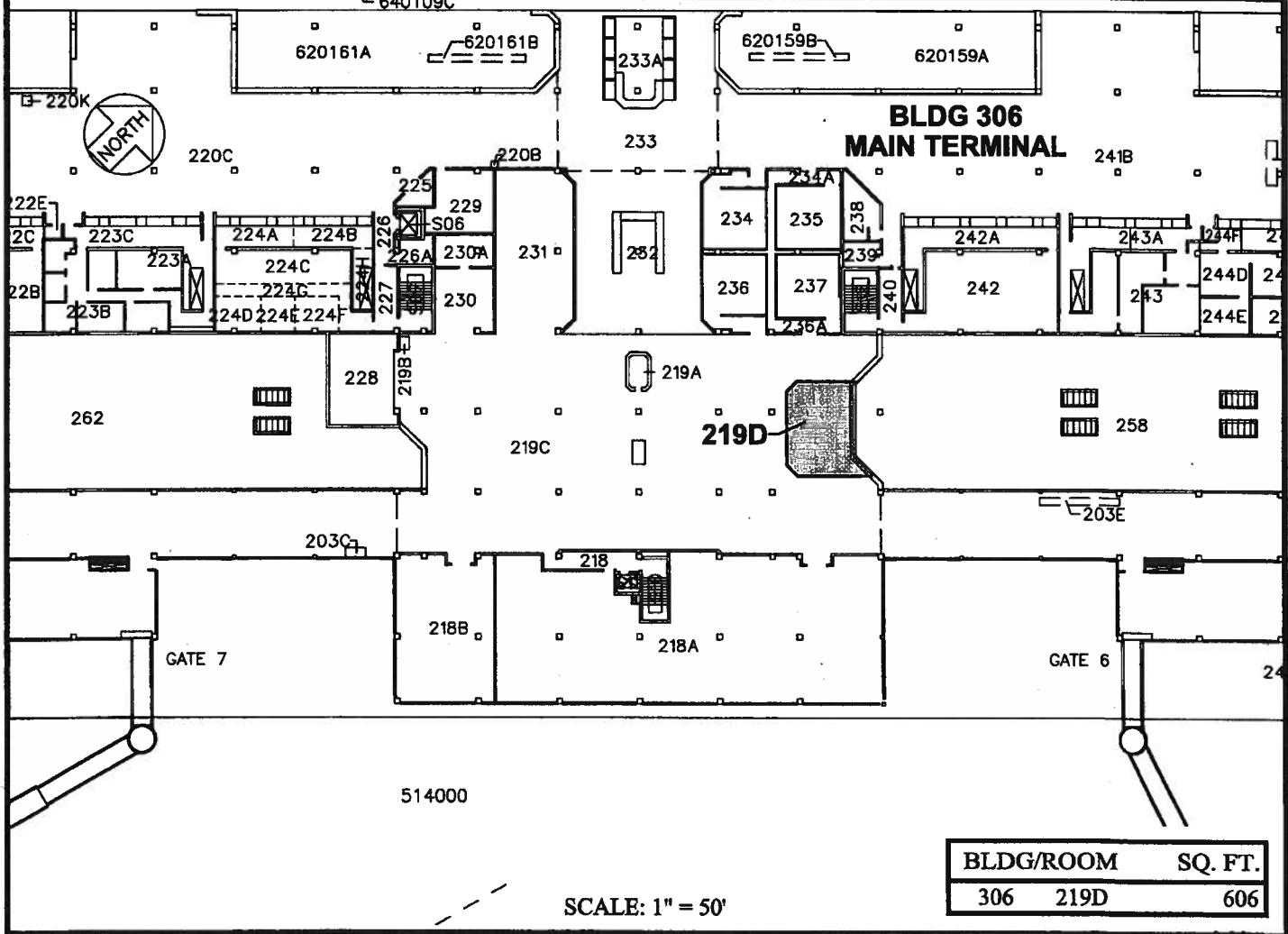
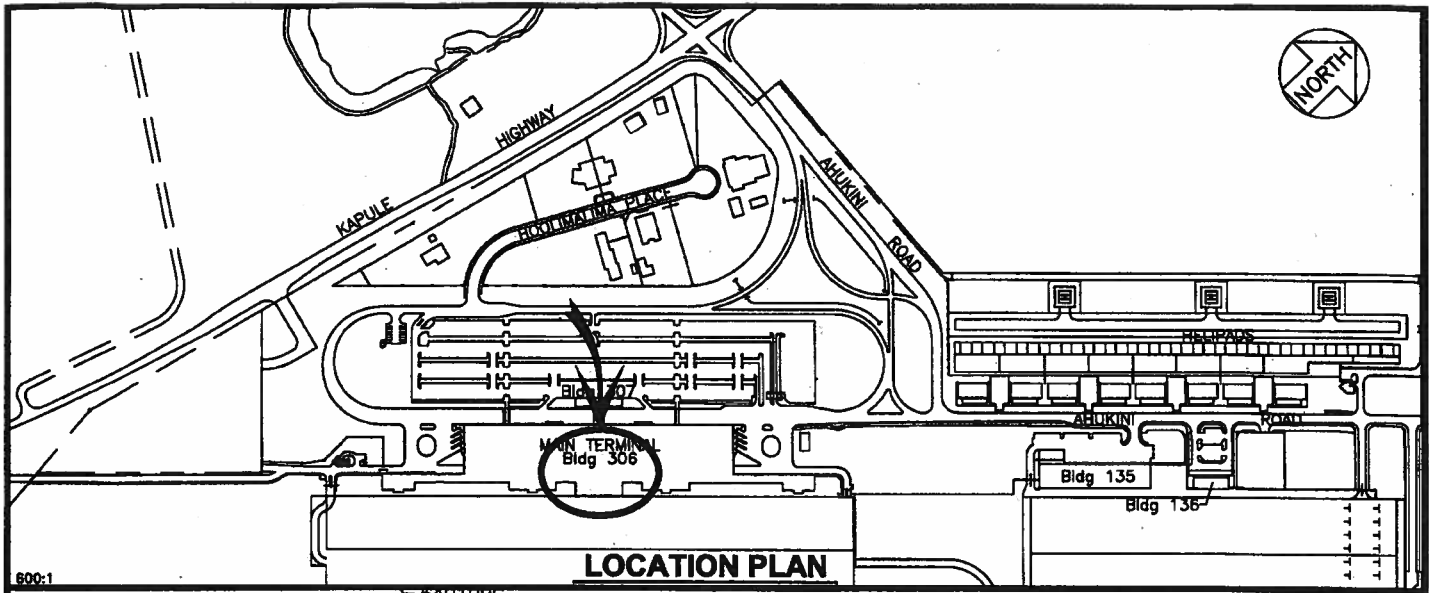


GLENN M. OKIMOTO, Ph. D.
Director of Transportation

APPROVED FOR SUBMITTAL:



WILLIAM J. AILA, JR.
Chairperson and Member



Amendment No. 3 to State Lease No. DOTA-11-0006	DATE : FEBRUARY 2014	EXHIBIT: H
	HOST INTERNATIONAL, INC.	BUILDING 306 MAIN TERMINAL TERMINAL LEVEL
		306219D PLATS C2, 45