

DAVID Y. IGE  
GOVERNOR



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

FORD N. FUCHIGAMI  
DIRECTOR

Deputy Directors  
JADE T. BUTAY  
ROSS M. HIGASHI  
EDWIN H. SNIFFEN  
DARRELL T. YOUNG

IN REPLY REFER TO:

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

CONSENT TO SUBLEASE  
IN-BOND (DUTY FREE) CONCESSION AGREEMENT NO. DOT-A-07-0001  
DFS GROUP L.P. TO TRS HAWAII, LLC DBA PRADA  
HONOLULU INTERNATIONAL AIRPORT  
TAX MAP KEY: (1) 1-1-03: PORTION OF 001

OAHU

The State of Hawaii, Department of Transportation (DOT) is seeking the Board's consent to a Sublease between DFS GROUP L.P. and TRS Hawaii, LLC dba Prada for the In-Bond (Duty Free) Concession Agreement at Honolulu International Airport.

LEGAL REFERENCE:

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

LESSEE/SUBLESSOR:

DFS Group L.P. (DFS)

SUBLESSEE:

TRS Hawaii, LLC dba Prada (TRS)

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Terminal Complex, Honolulu, Island of Oahu,  
identified by Tax Map Key: 1<sup>st</sup> Division, 1-1-03: Portion of 001

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

**ITEM M-1**

CONCESSION AGREEMENT TERM:

The In-Bond (Duty Free) Concession Agreement No. DOT-A-07-0001 (Lease) commenced on June 1, 2007 and continues through May 31, 2027.

SUBLEASE AREA:

Area/Space No. 342-273M, containing approximately 1,201 square feet of retail floor area, as shown and delineated on the attached Exhibit J, dated February 2016.

SUBLEASE TERM:

Term commences on January 7, 2016 and continues through the end of the Lease term.

CHARACTER OF USE:

The sales of DFS pre-approved Prada merchandise as part of its In-Bond (Duty Free) Concession at Honolulu International Airport.

CONCESSION FEE:

The In-Bond (Duty Free) Concession pays a Minimum Annual Guaranteed Fee (MAG) plus an applicable percentage fee based on a schedule.

DCCA VERIFICATION:

LESSEE/SUBLESSOR:

Place of business registration confirmed:	YES <u>X</u>	NO <u>    </u>
Registered business name confirmed:	YES <u>X</u>	NO <u>    </u>
Good standing confirmed:	YES <u>X</u>	NO <u>    </u>

SUBLESSEE:

Place of business registration confirmed:	YES <u>X</u>	NO <u>    </u>
Registered business name confirmed:	YES <u>X</u>	NO <u>    </u>
Good standing confirmed:	YES <u>X</u>	NO <u>    </u>

IMPROVEMENTS:

Prada 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 spaces.

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 Amended November 15, 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.

REMARKS:

The State of Hawaii, Department of Transportation, Airports Division has reviewed the Sublease and Sublease rent and determined that the Sublessee's obligations are reasonable with no excess sandwich profit to be gained by the Lessee/Sublessor.

RECOMMENDATION:


That the Board approve and authorize the Consent to Sublease between DFS Group L.P., as Lessee/Sublessor and TRS Hawaii, LLC dba Prada, as Sublessee, as hereinabove outlined, subject to: (1) terms and conditions hereinabove outlines, which are by reference incorporated herein; (2) such 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 of the Department of the Attorney General as to the Consent to Sublease form and content.

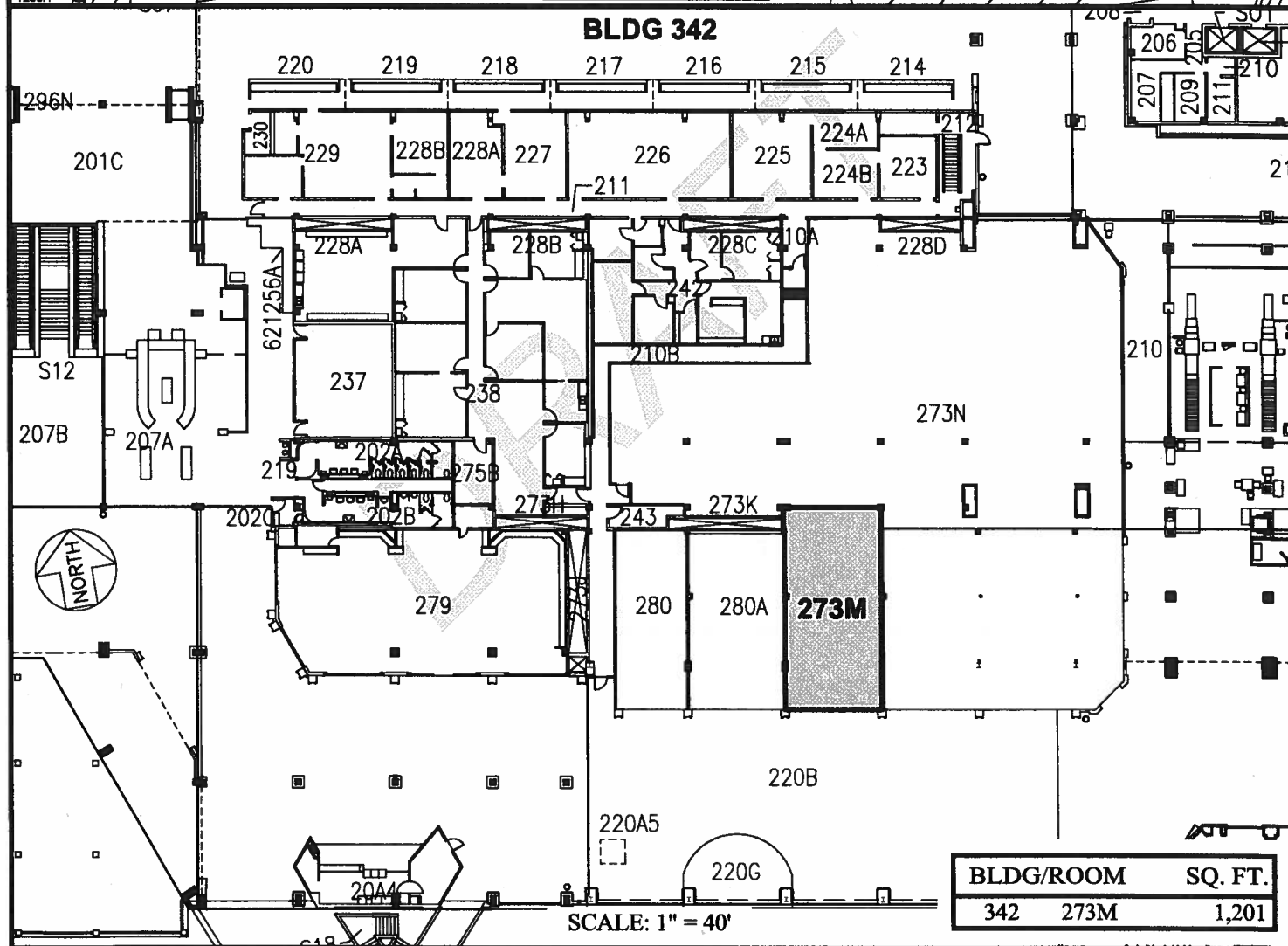
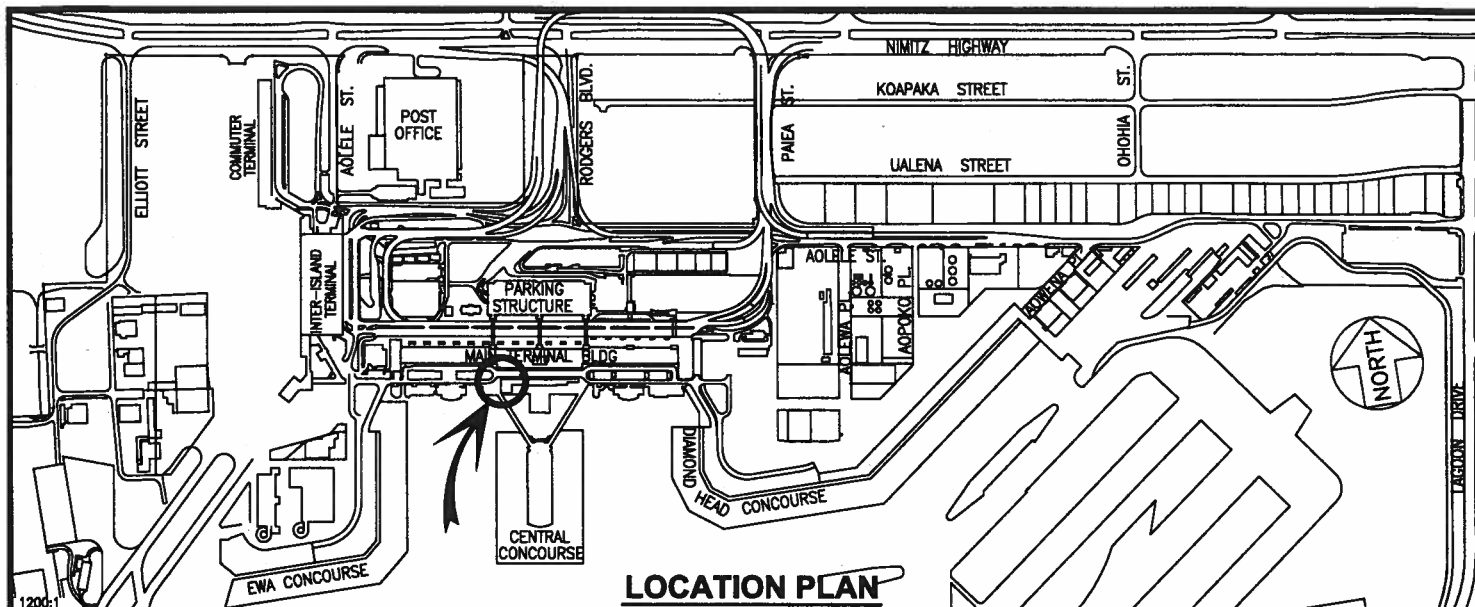
Respectfully submitted,



FORD N. FUCHIGAMI  
Director of Transportation

APPROVAL FOR SUBMITTAL:

  
SUZANNE D. CASE  
Chairperson and Member



DOTA-07-0001

DATE : FEBRUARY 2016

EXHIBIT: J



Airports Division

DFS GROUP, L.P.

**BUILDING 342  
WAITING LOBBY  
SECOND LEVEL**

342273M

PLAT A2

**HONOLULU INTERNATIONAL AIRPORT**

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