

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

Board of Land and
Natural Resources
State of Hawai'i
Honolulu, Hawai'i

AMENDMENT TO SUBLEASE FOR ADDITIONAL SPACE
STATE LEASE NO. DOT-A-07-0001
DFS GROUP L.P. IN-BOND (DUTY FREE) TO ISLAND SHOPPERS, INC.
DANIEL K. INOUE INTERNATIONAL AIRPORT
TAX MAP KEY: (1) 1-1-03: PORTION OF 1

O'AHU

The State of Hawai'i, Department of Transportation (DOT) is seeking the Board's consent to an amendment to a sublease for additional space between the DFS Group, L.P. and Island Shoppers for the In-Bond (Duty Free) Concession Agreement at Daniel K. Inouye International Airport.

LEGAL REFERENCE:

Chapters 102 and Section 261-7, Hawai'i Revised Statutes, as amended.

LESSEE/SUBLESSOR:

DFS Group L.P. (DFS)

SUBLESSEE:

Island Shoppers, Inc.

LOCATION AND TAX MAP KEY:

Portion of Honolulu International Airport, Terminal Complex, Honolulu, Island of O'ahu, identified by Tax Map Key: 1st Division, 1-1-03: Portion of 1.

ZONING:

State: Urban
County: Industrial (I-2)

BLNR – AMENDMENT TO SUBLEASE FOR ADDITIONAL SPACE, STATE LEASE
NO. DOT-A-07-0001, DFS GROUP L.P., IN-BOND (DUTY FREE), TO ISLAND SHOPPERS,
INC., DANIEL K. INOUE INTERNATIONAL AIRPORT

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LAND TITLE STATUS:

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

AGREEMENT TERM:

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

INITIAL SUBLEASE AREA:

Area/Space No. 344-291, containing an area of approximately 143 square feet.
Area/Space No. 360-208A, containing an area of approximately 356 square feet.
Area/Space No. 363-225, containing an area of approximately 138 square feet.
Area/Space No. 363-239, containing an area of approximately 4,320 square feet.

ADDITIONAL SUBLEASE AREA: Attached Exhibits M & N dated June 2017.

Area/Space No. 360-202, containing an area of approximately 590 square feet.
Area/Space No. 341-255B, containing an area of approximately 1,056 square feet.

SUBLEASE TERM:

Term commenced on June 1, 2007, and continues through May 31, 2027.

CHARATER OF USE:

Sales of In-Bond (Duty Free) merchandise as part of DFS In-Bond concession operation
at Daniel K. Inouye 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.

DISADVANTAGED BUSINESS ENTERPRISE (DBE) GOAL:

Island Shoppers, Inc. is a certified DBE and serves to fulfill the DBE concession
participation goal of 15% of Gross Receipts.

DCCA VERIFICATION:

LESSEE/SUBLESSOR:

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

SUBLESSEE:

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

IMPROVEMENTS:

Island Shoppers, Inc. 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.

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 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.

The DOTA consulted with the U.S. Federal Aviation Administration as to the appropriateness of the citation of the Environmental Exemption Class from the Comprehensive list for the Department of Transportation dated November 15, 2000. In each case, the FAA concurred on the appropriateness.

REMARKS:

DOT's goal is to encourage participation in airport concessions by DBEs. 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:

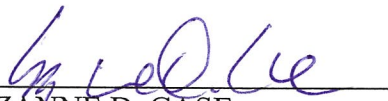
That the Board approve and authorize the consent to the Amendment to Sublease, as hereinabove outlined, subject to: (1) terms and conditions hereinabove outlines, which are by reference incorporated herein; (2) such terms and conditions as may be prescribed by the Director of Transportation to best serve 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,

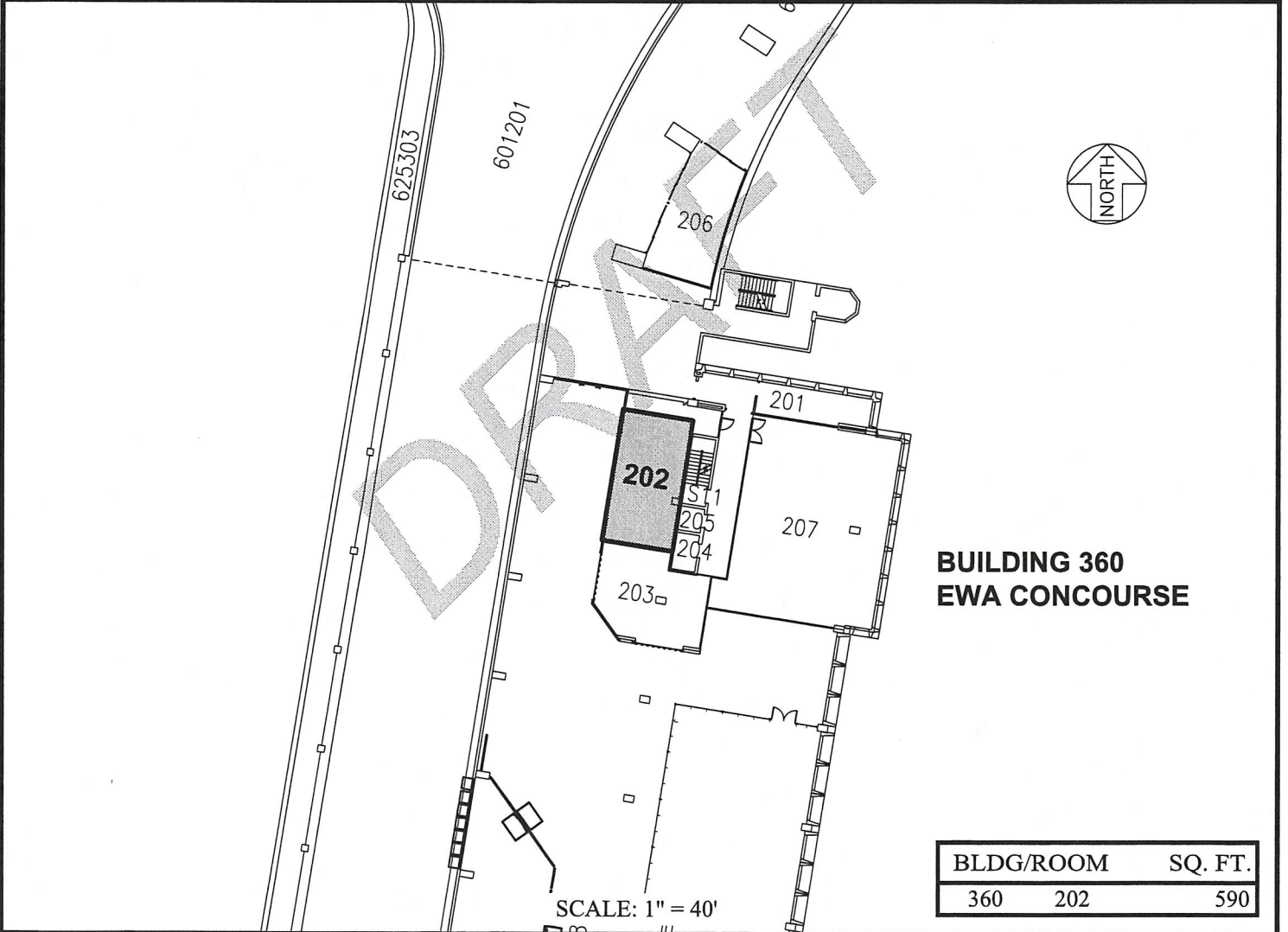
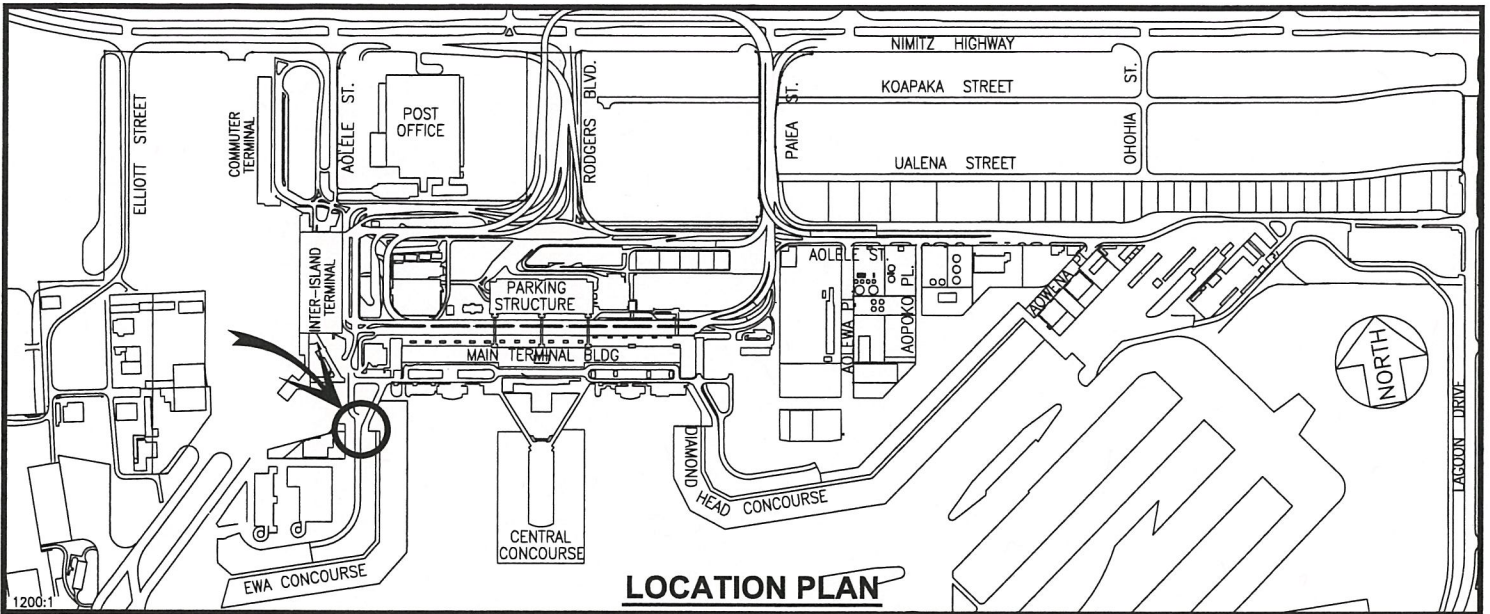


FORD N. FUCHIGAMI
Director of Transportation

APPROVAL FOR SUBMITTAL:



SUZANNE D. CASE
Chairperson and Member



DOTA 07-0001

DATE : JUNE 2017

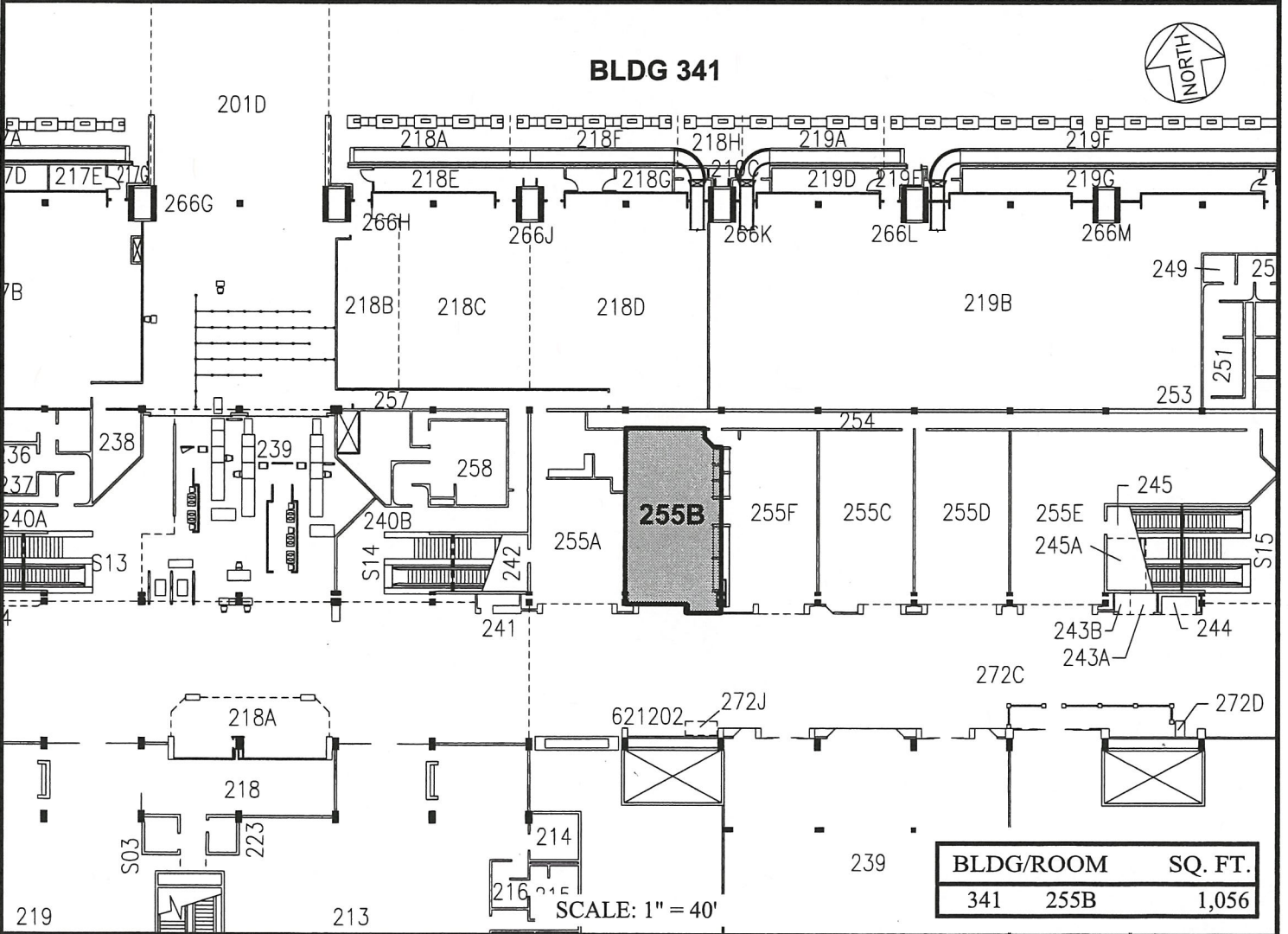
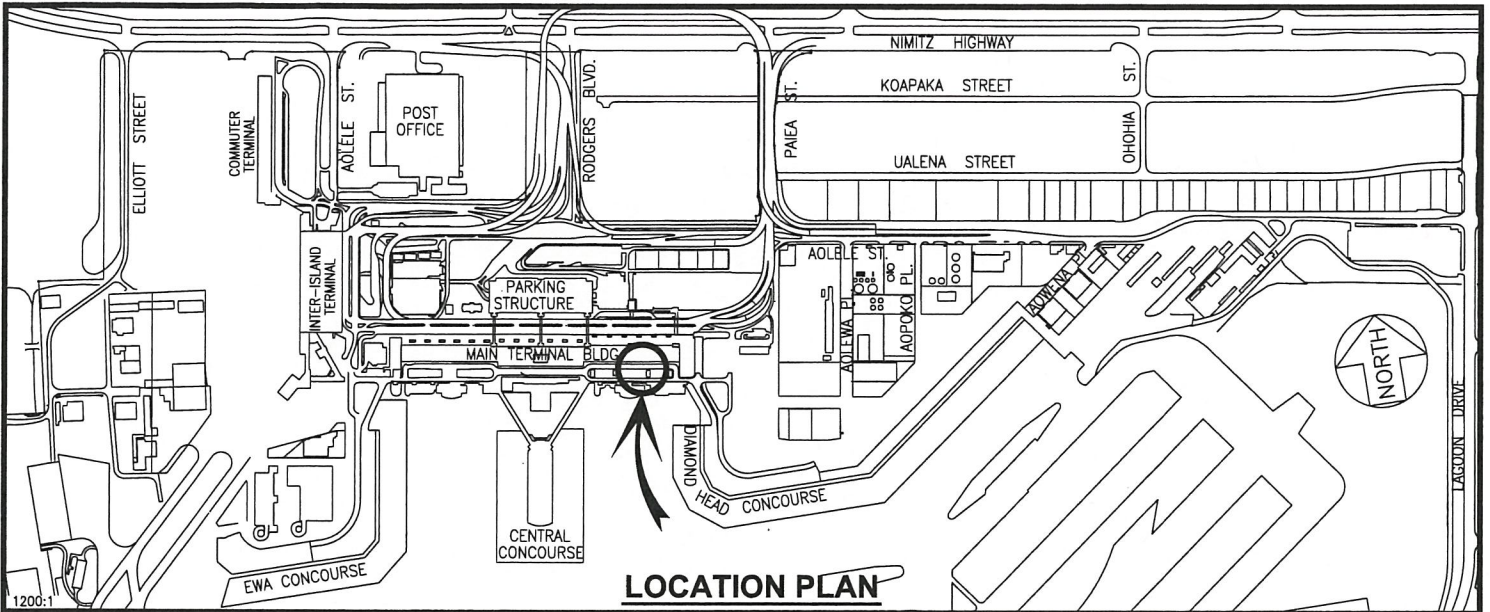
EXHIBIT: **M**



DFS GROUP L.P. IN-BOND

BUILDING 360
EWA CONCOURSE
SECOND LEVEL

360202
PLAT F2



DOTA-07-0001

DATE : JUNE 2017

EXHIBIT: **N**



Airports Division

DFS GROUP L.P. IN-BOND

BUILDING 341
D.H. DOMESTIC EXTENSION
SECOND LEVEL

341255B

PLAT M1