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

AMENDMENT NO. 4 TO CONCESSION AGREEMENT NO. DOT-A-09-0002
RETAIL CONCESSION
REQUEST FOR ADDITIONAL SPACES FOR RETAIL USE
DFS GROUP, L.P.
DANIEL K. INOUYE INTERNATIONAL AIRPORT
TAX MAP KEY: (1) 1-1-03: 1

O‘AHU

The Department of Transportation (DOT) seeks approval to amend the existing Concession Agreement DOT-A-09-0002 to add spaces for retail use at Daniel K. Inouye International Airport.

LEGAL REFERENCE:

Chapter 102 and Section 261-7, Hawai‘i Revised Statutes, as amended.

APPLICANT:

DFS GROUP L.P., whose postal address is P.O. Box 29500, Honolulu, Hawai‘i 96820.

LOCATION AND TAX MAP KEY:

Daniel K. Inouye International Airport, Island of O‘ahu, Hawai‘i, Terminal Complex
Tax Map Key: 1st Division: 1-1-03: 1

ZONING:

State Land Use District: Urban
City and County of Honolulu: Industrial (I-2)

LAND TITLE STATUS:

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

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DCCA VERIFICATION:

Place of business registration confirmed: YES X NO ___
Registered business name confirmed: YES X NO ___
Good standing confirmed: YES X NO ___

CONCESSION TERM:

To run for the balance of the term of the existing concession agreement that expires on March 30, 2025.

ADDITIONAL SPACE:

Area/Space Nos. 342-286A, 342-286B, and 342-286C, containing a total area of approximately 3,241 square feet, as shown on the attached Exhibit Q dated June 2017.

Area/Space No. 360-203, containing an area of approximately 610 square feet, as shown on the attached Exhibit R dated June 2017.

Area/Space Nos. 360-221, 360-222, and 360-228, containing a total area of approximately 2,926 square feet, as shown on the attached Exhibit S dated June 2017.

Area/Space No. 363-239, containing an area of approximately 4,368 square feet, as shown on the attached Exhibit T dated June 2017.

IMPROVEMENTS:

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

CONCESSION FEE:

The current Retail Concession pays a Minimum Annual Guaranteed (MAG) fee of $9,308,000.00. Annual Concession fee shall be the greater of a MAG or a Percentage Fee. All revenue generated by the additional spaces shall be reported as Gross Receipts under the Agreement.

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. The FAA concurred on the appropriateness.

REMARKS:

The Applicant identified and requested additional spaces and the Department of Transportation Airports Division reviewed and determined that the additional retail spaces will allow Applicant with a wider assortment of retail merchandise to the traveling public.

RECOMMENDATION:

That the Board approve and authorize the Department of Transportation to amend the existing Retail Concession Lease No. DOT-A-09-0002, 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 interests of the State; and 3) review and approval by the Department of the Attorney General.

Respectfully submitted,

FORD N. FUCHIGAMI
Director of Transportation

APPROVED FOR SUBMITTAL:

SUZANNE D. CASE
Chairperson and Member