



STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAII'
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
869 PUNCHBOWL STREET
HONOLULU, HAWAII 96813-5097

June 14, 2024

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

ISSUANCE OF A CONCESSION AGREEMENT RELATING TO THE OPERATION
OF THE RETAIL CONCESSION BY REQUEST FOR PROPOSALS
DANIEL K. INOUE INTERNATIONAL AIRPORT
TAX MAP KEY: (1) 1-1-003: 001 (PORTION) OAHU

REQUEST:

The Department of Transportation (HDOT) proposes to issue a Concession Agreement relating to the operation of a retail concession by Request for Proposals (RFP) at the Daniel K. Inouye International Airport (Airport), as shown on Exhibit A.

LEGAL REFERENCE:

Section 102-2, Hawaii Revised Statutes (HRS).

LOCATION AND TAX MAP KEY:

Various portions within Terminal I and Terminal II of the Airport, Island of Oahu, State of Hawaii, identified by Tax Map Key: 1st Division, 1-1-003: 001 (Portion).

AREA:

1. Retail (Sales) Space
 - a. Terminal 1, Second Level, Building 310
 - (1) Building/Room No. 310-203A, containing an area of approximately 677 square feet; and
 - (2) Building/Room No. 310-205K, containing an area of approximately 128 square feet, as shown on Exhibit B.
 - b. Mauka Extension, Second Level, Building 305
 - (1) Building/Room No. 305-220, containing an area of approximately 4,140 square feet, as shown on Exhibit C.

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c. Terminal 2, Diamond Head Domestic Ext, Second Level, Building 341

- (1) Building/Room No. 341-245, containing an area of approximately 277 square feet;
- (2) Building/Room No. 341-255B, containing an area of approximately 1,056 square feet;
- (3) Building/Room No. 341-255C, containing an area of approximately 1,071 square feet;
- (4) Building/Room No. 341-255D, containing an area of approximately 1,054 square feet; and
- (5) Building/Room No. 341-255E, containing an area of approximately 1,808 square feet, as shown on Exhibit D.

d. Terminal 2, Waiting Lobby, Second Level, Building 342

- (1) Building/Room No. 342-273N, containing an area of approximately 10,311 square feet, as shown on Exhibit E-1;
- (2) Building/Room No. 342-281A, containing an area of approximately 694 square feet;
- (3) Building/Room No. 342-281B, containing an area of approximately 982 square feet;
- (4) Building/Room No. 342-281C, containing an area of approximately 1,127 square feet;
- (5) Building/Room No. 342-281D, containing an area of approximately 980 square feet;
- (6) Building/Room No. 342-281E, containing an area of approximately 1,061 square feet;
- (7) Building/Room No. 342-281F, containing an area of approximately 821 square feet;
- (8) Building/Room No. 342-282, containing an area of approximately 2,919 square feet;
- (9) Building/Room No. 342-286A, containing an area of approximately 1,276 square feet, as shown on Exhibit E-2;
- (10) Building/Room No. 342-286B, containing an area of approximately 1,120 square feet;
- (11) Building/Room No. 342-286C, containing an area of approximately 845 square feet; and
- (12) Building/Room No. 342-287, containing an area of approximately 734 square feet, as shown on Exhibit E-2.

e. Ewa Domestic Extension, Second Level, Building 344

- (1) Building/Room No. 344-245, containing an area of approximately 6,237 square feet, as shown on Exhibit F.

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- f. Central Concourse, Second Level, Building 350
 - (1) Building/Room No. 350-217, containing an area of approximately 547 square feet;
 - (2) Building/Room No. 350-218A, containing an area of approximately 931 square feet;
 - (3) Building/Room No. 350-247, containing an area of approximately 352 square feet, as shown on Exhibit G;
 - (4) Building/Room No. 350-248, containing an area of approximately 541 square feet; and
 - (5) Building/Room No. 350-249A, containing, an area of approximately 560 square feet, as shown on Exhibit G.

 - g. Ewa Concourse, Second Level, Building 360
 - (1) Building/Room No. 360-202, containing an area of approximately 745 square feet; and
 - (2) Building/Room No. 360-203, containing an area of approximately 611 square feet, as shown on Exhibit H-1.
 - (3) Building/Room No. 360-221, containing an area of approximately 738 square feet;
 - (4) Building/Room No. 360-222, containing an area of approximately 775 square feet; and
 - (5) Building/Room No. 360-228, containing an area of approximately 1,622 square feet, as shown on Exhibit H-2.

 - h. Diamond Head Concourse, Second Level, Building 373
 - (1) Building/Room No. 373-242, containing an area of approximately 3,745 square feet, as shown on Exhibit I.
2. Retail Storage Space (Non-Sales)
- a. Ewa Domestic Extension, Second Level, Building 344
 - (1) Building/Room No. 344-278A, containing an area of approximately 740 square feet, as shown on Exhibit J.

 - b. Diamond Head Connecting Link, Second Level, Building 363
 - (1) Building/Room No. 363-218A, containing an area of approximately 596 square feet, as shown on Exhibit K.

ZONING:

HNL Airport

State Land Use District: Urban

City and County of Honolulu: I-2 (Industrial)

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LAND TITLE STATUS:

Section 5(a) lands of the Hawaii Admissions Act: Non-ceded

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: YES ___ NO X

CURRENT USE STATUS:

Land presently encumbered by Governor's Executive Order No. 3201, dated June 8, 1983, setting aside 3,152.177 acres designated as the Airport under the control and management of the HDOT, for Airport Purposes.

CHARACTER OF USE:

Operation and Management of a Retail Concession at the Airport.

COMMENCEMENT DATE:

Upon complete execution of the Retail Concession Agreement.

TERM:

Five (5) years.

MINIMUM ALLOWABLE PROPOSED CONCESSION FEE:

For each year of the Concession Agreement term, the total annual concession fee shall be the sum of the following:

a. Minimum Annual Guaranteed Concession Fee. The minimum annual guaranteed concession fee for the first year of the Concession Agreement as set forth in the Concessionaire's Proposal, and for each year thereafter of the Concession Agreement term, 85% of the Annual Fee (the greater of the percentage fee or MAG) received by HDOT for the preceding year; or

b. Percentage Fee. Twenty percent (20%) of the Concessionaire's annual gross receipts generated from, related or attributable to, or connected with the sale of merchandise authorized.

c. Upset Fee. The upset MAG for the first year of the Concession Agreement shall not be less than SEVEN MILLION AND NO/100 DOLLARS (\$7,000,000.00).

BLNR – ISSUANCE OF A CONCESSION AGREEMENT RELATING TO THE OPERATION OF A RETAIL CONCESSION BY REQUEST FOR PROPOSALS

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CHAPTER 343, HRS - ENVIRONMENTAL ASSESSMENT:

The environmental impacts of the proposed action to the subject land area are covered by the Airport Master Plan Update and Noise Compatibility Program Environmental Assessment (EA), State Project No. AO1011-03. The EA is a joint State of Hawaii and Federal document, dated September 1989 and published in the October 23, 1989 issue of the OEQC Bulletin. Accordingly, relevant mitigation from the EA and HDOT environmental best management practice will address minimal impacts from this action.

REMARKS:

The successful proposer who is awarded the exclusive right and obligation to operate and maintain the Concession will be responsible for providing high quality retail offerings and services at the Airport. A high degree of experience, expertise, competence and management capability will be needed to administer, manage, operate, and provide such retail services to the traveling public. Only qualified individuals and business entities authorized to do business in the State of Hawaii and capable of demonstrating such abilities will be considered for the exclusive right and obligation to operate and maintain this Concession.

RECOMMENDATION:

That the Board authorizes HDOT to issue a Concession Agreement relating to the operation of a retail concession by RFP, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such additional 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 Concession Agreement form and content.

Respectfully submitted,



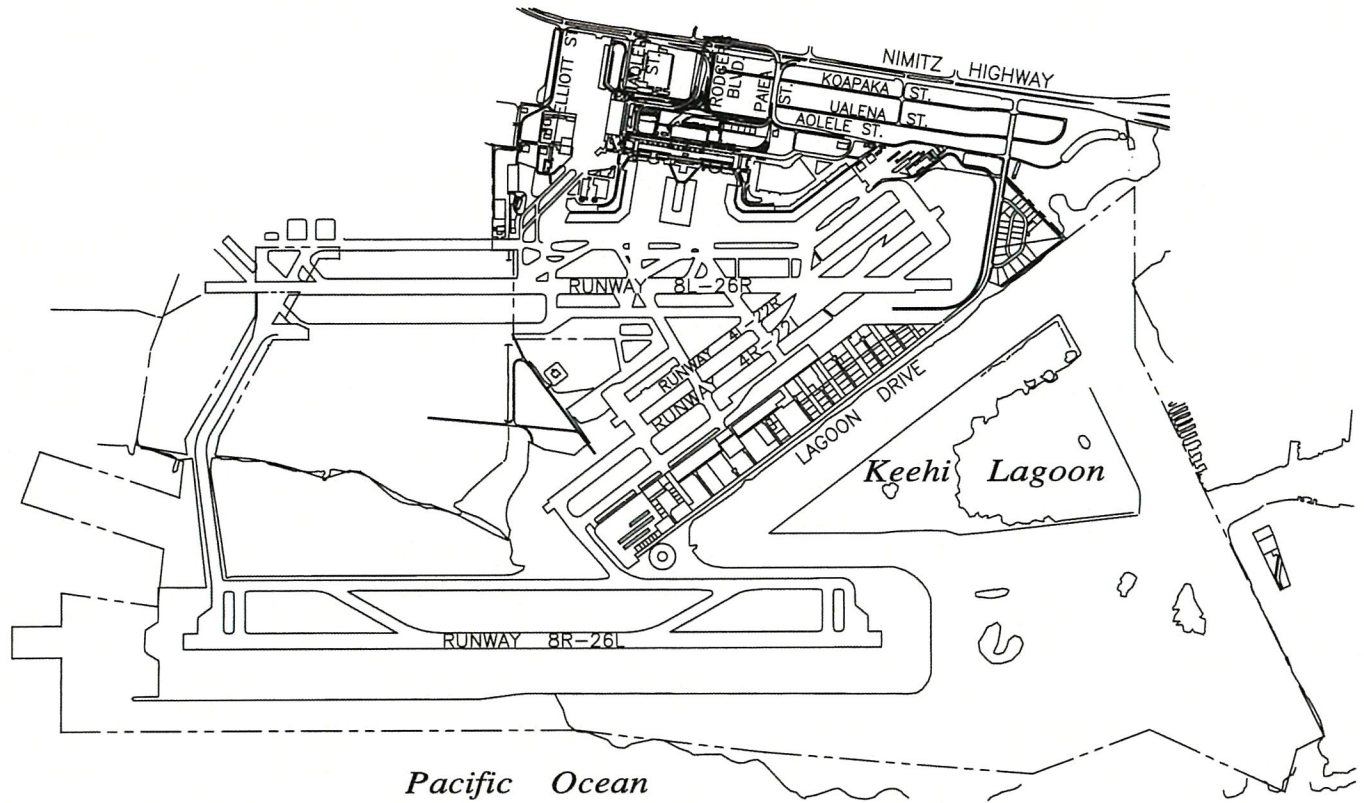
EDWIN H. SNIFFEN
Director of Transportation

APPROVED FOR SUBMITTAL:



DAWN N. S. CHANG
Chairperson
Board of Land and Natural Resources

Attachments



DATE : MARCH 2024`

EXHIBIT: **A**



Airports

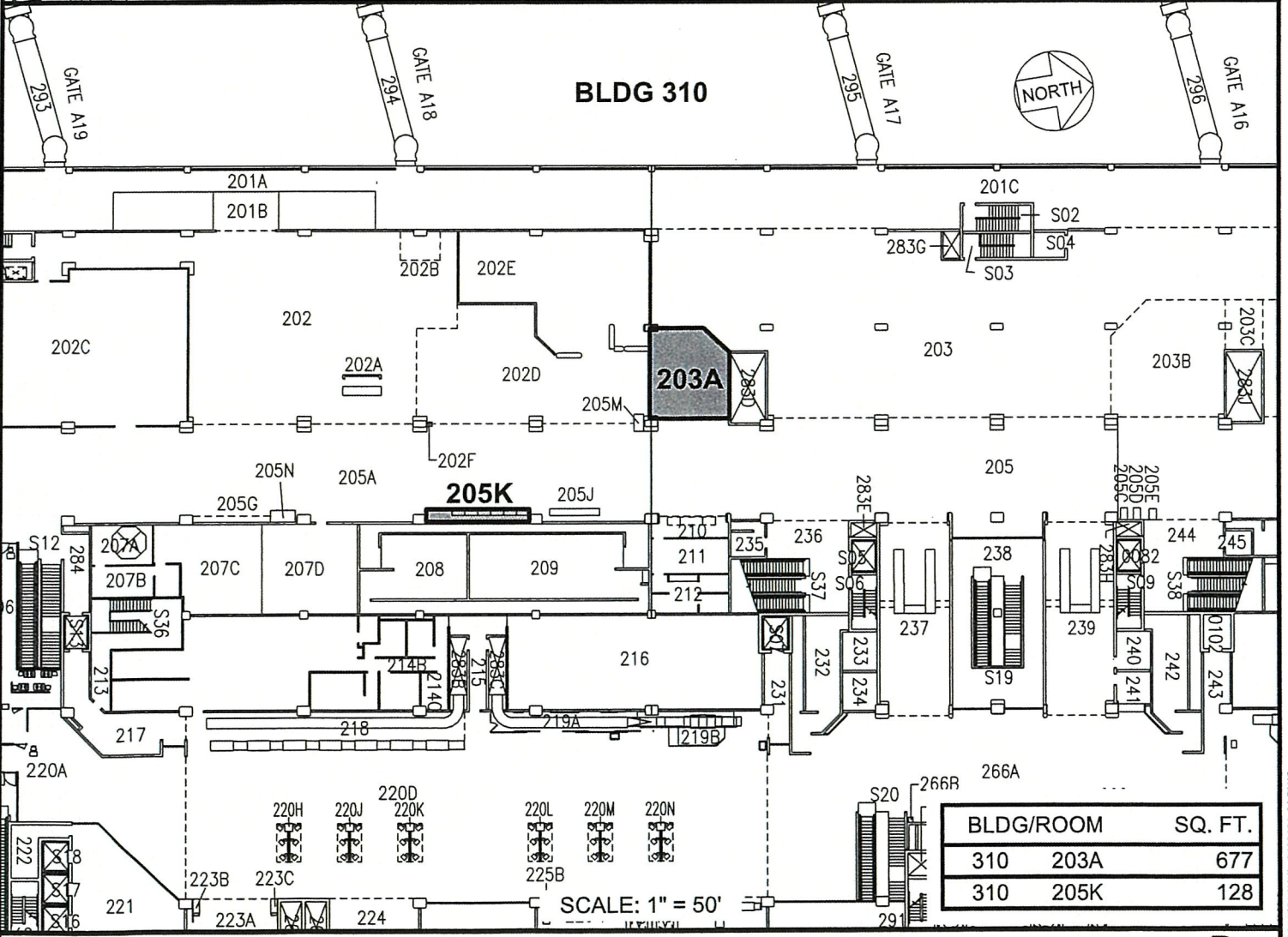
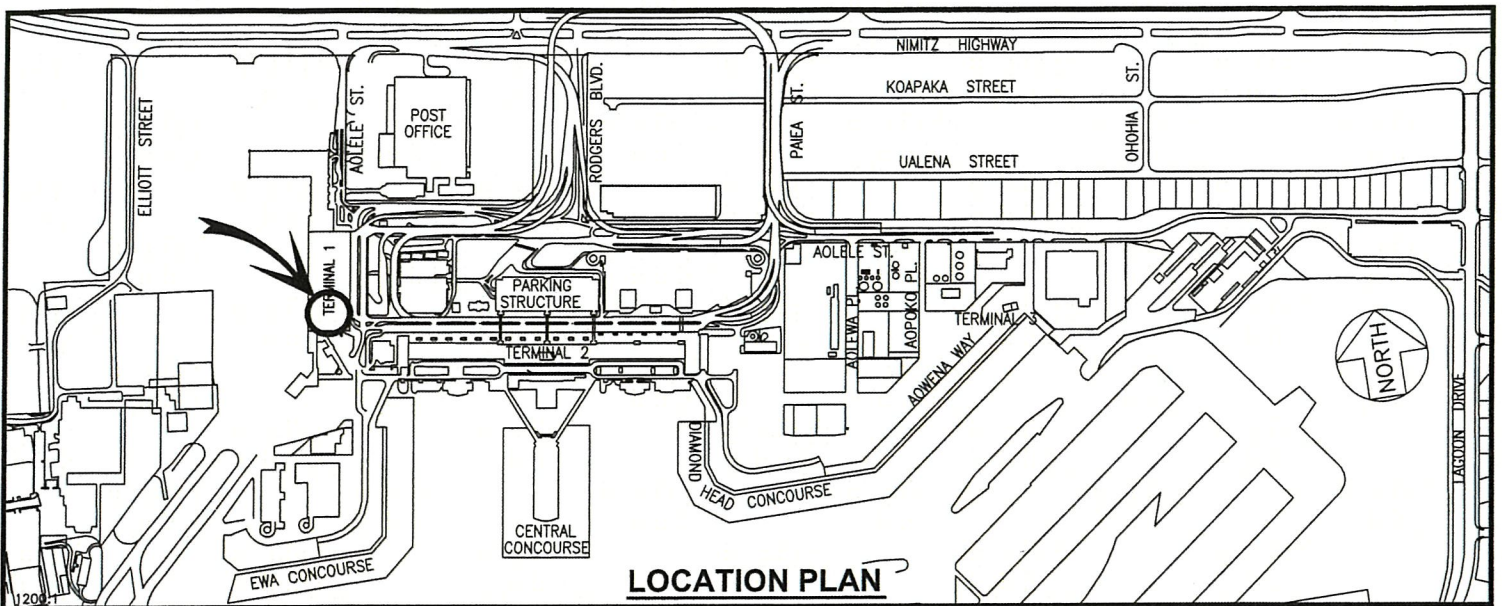
RETAIL CONCESSION

"AIRPORT"

PLAT 01

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DANIEL K. INOUE INTERNATIONAL AIRPORT



DATE : MARCH 2024

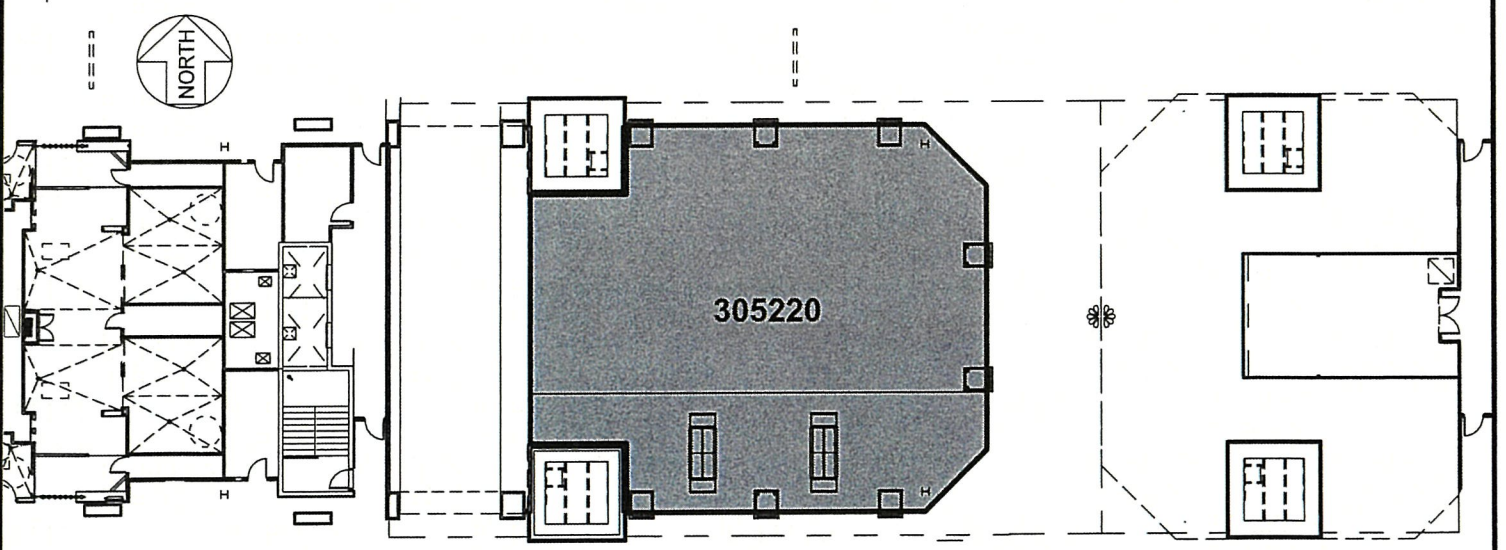
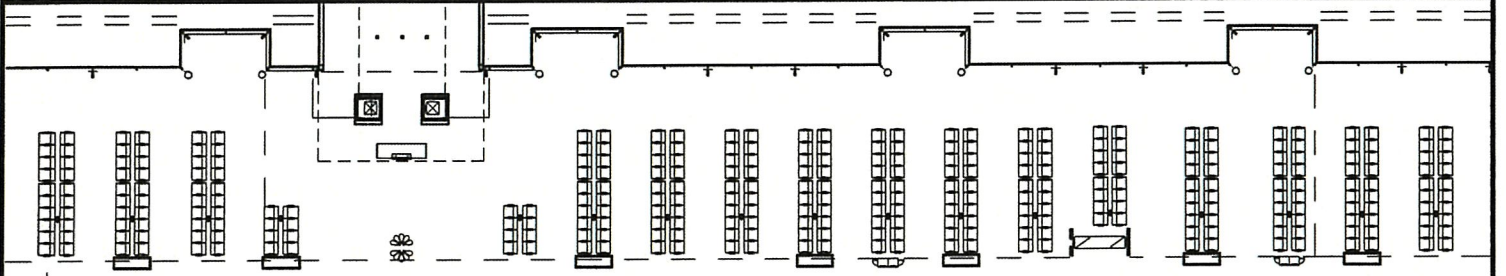
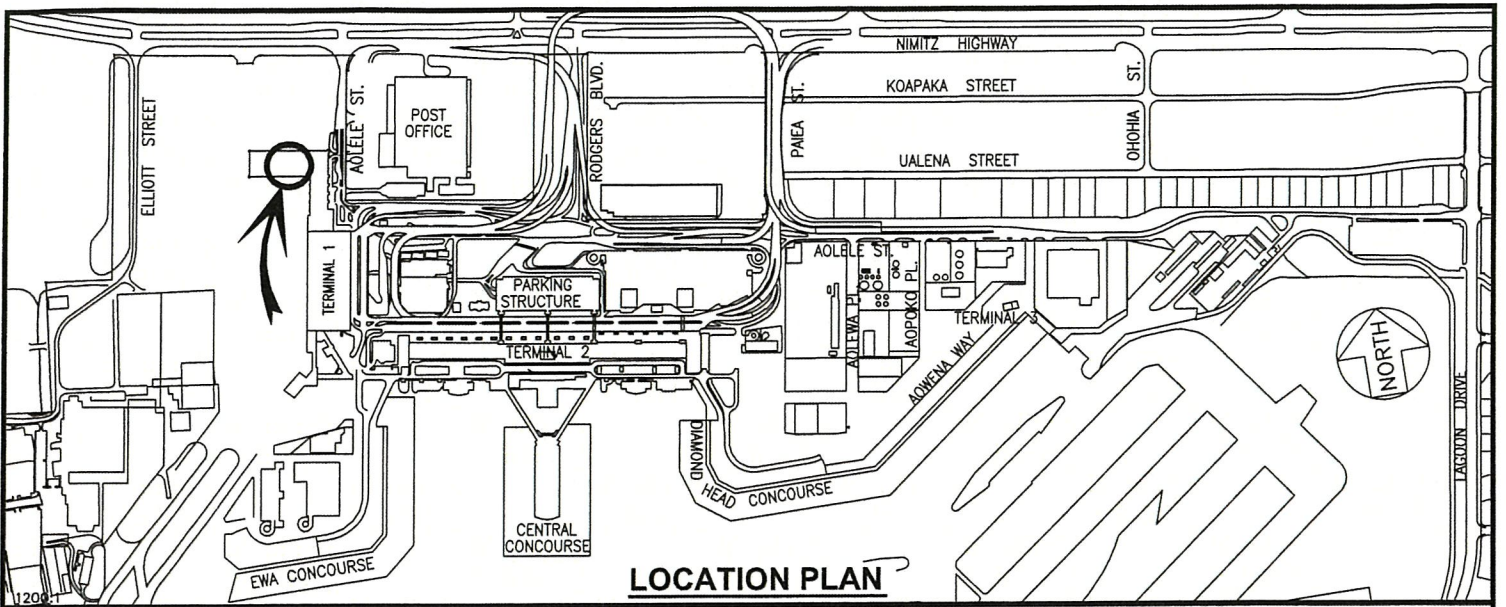
EXHIBIT: **B**



AIRPORTS

**BUILDING 310
TERMINAL 1
SECOND LEVEL**

**310203A
310205K**



BLDG 305

SCALE: 1" = 30'

BLDG/ROOM	SQ. FT.
305 220	4,140

DATE : MARCH 2024

EXHIBIT: **C**

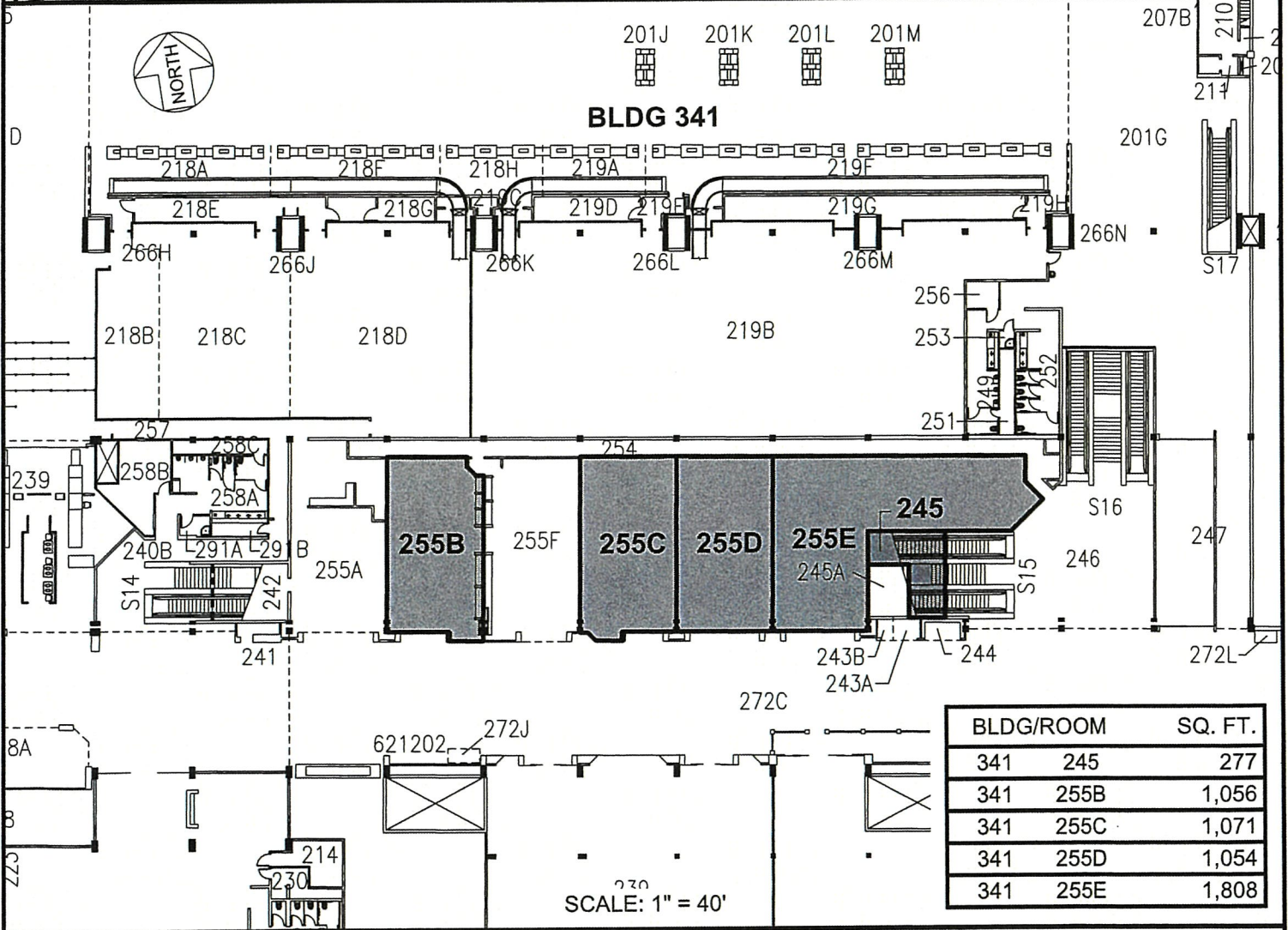
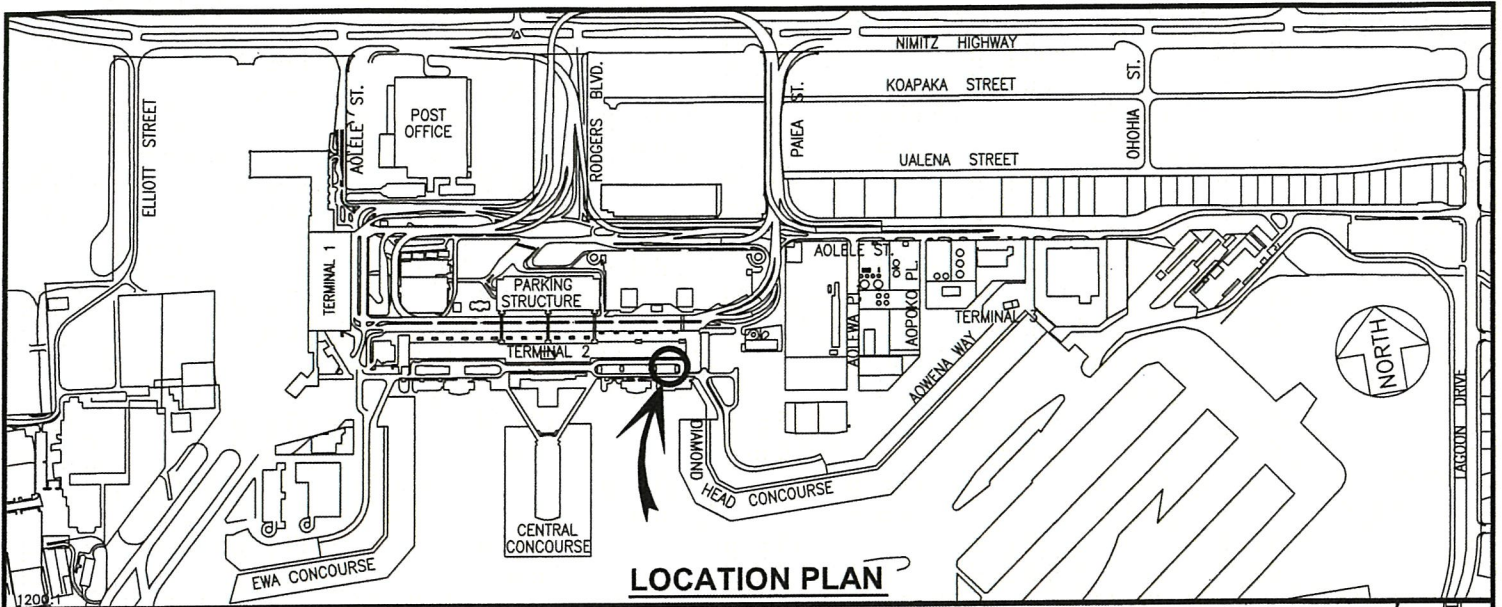


**BUILDING 305
MAUKA EXTENSION
SECOND LEVEL**

305220

DANIEL K. INOUE INTERNATIONAL AIRPORT

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DATE : MARCH 2024

EXHIBIT: **D**



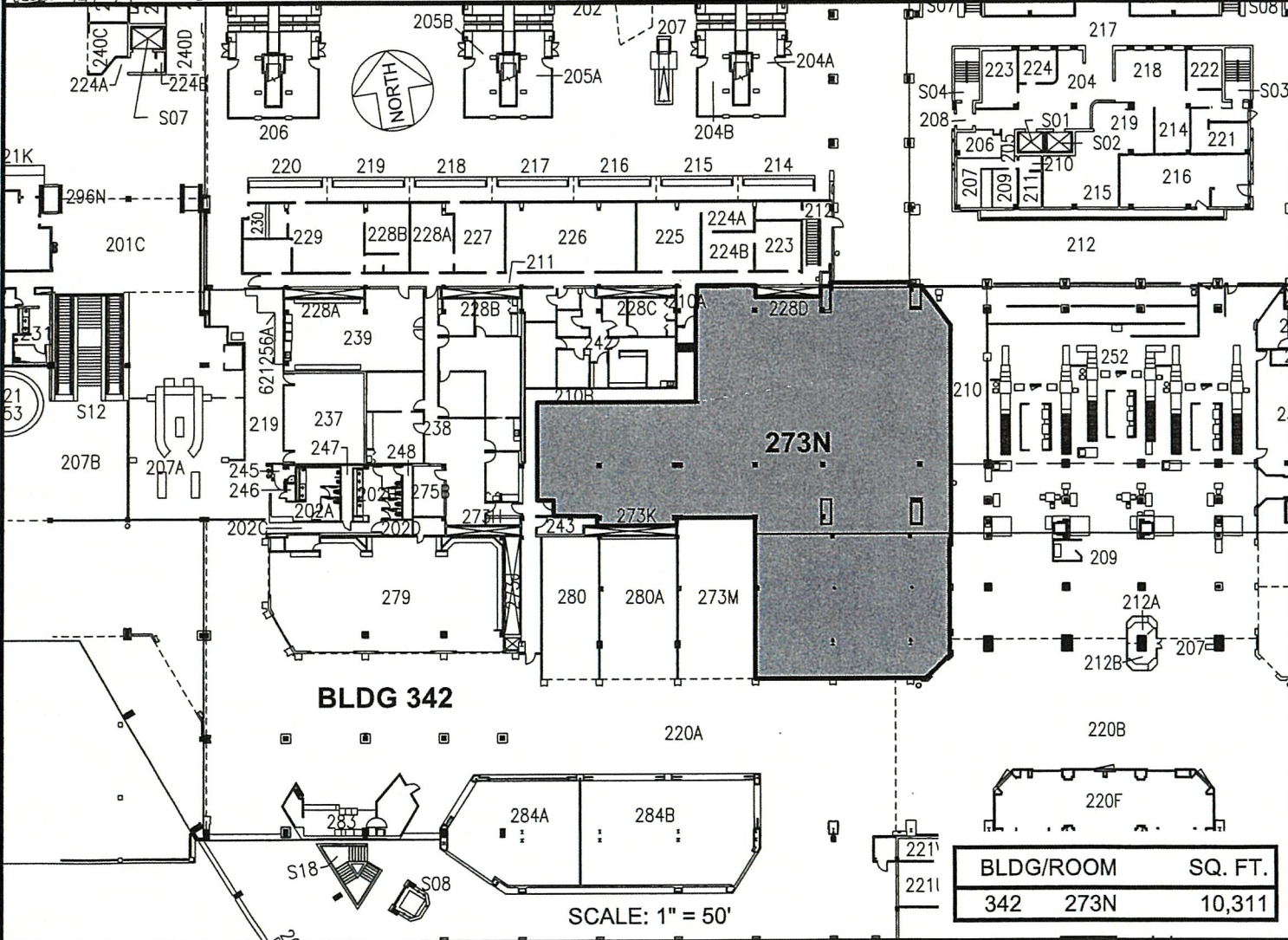
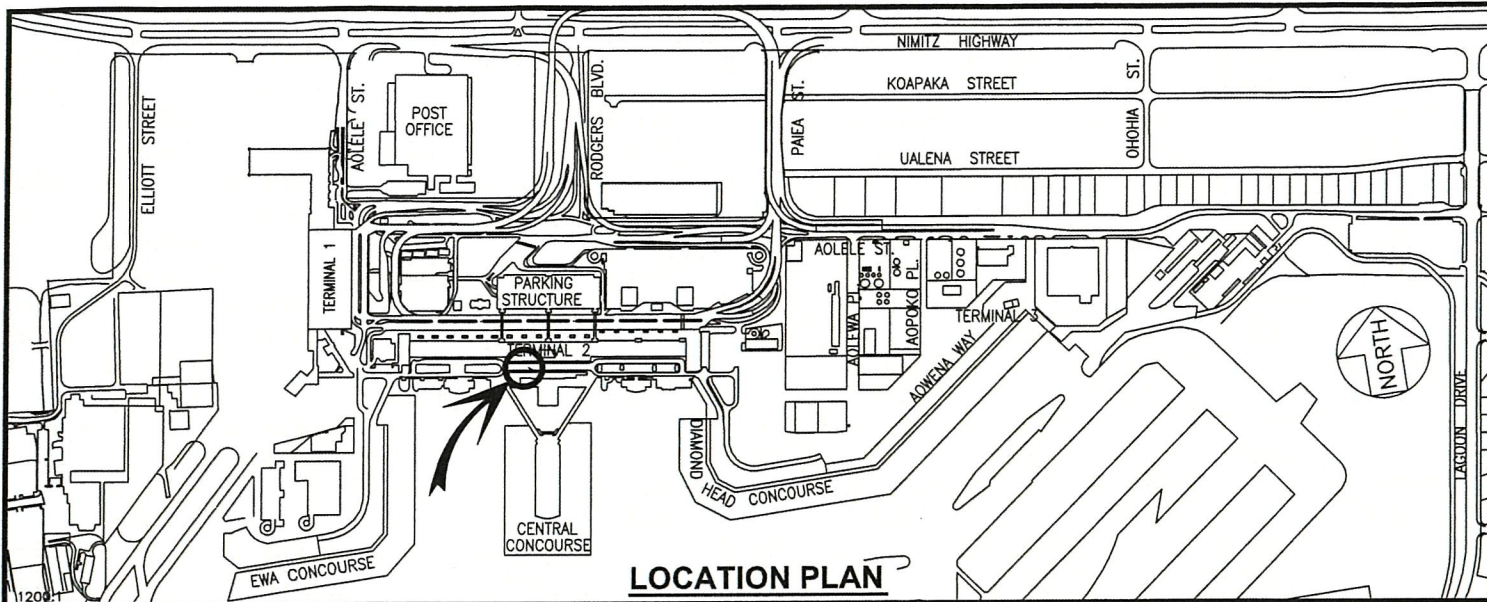
AIRPORTS

**BUILDING 341
D. H. DOMESTIC EXTN.
SECOND LEVEL**

**341245
341255B-E**

DANIEL K. INOUE INTERNATIONAL AIRPORT

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DATE : MARCH 2024

EXHIBIT: **E-1**

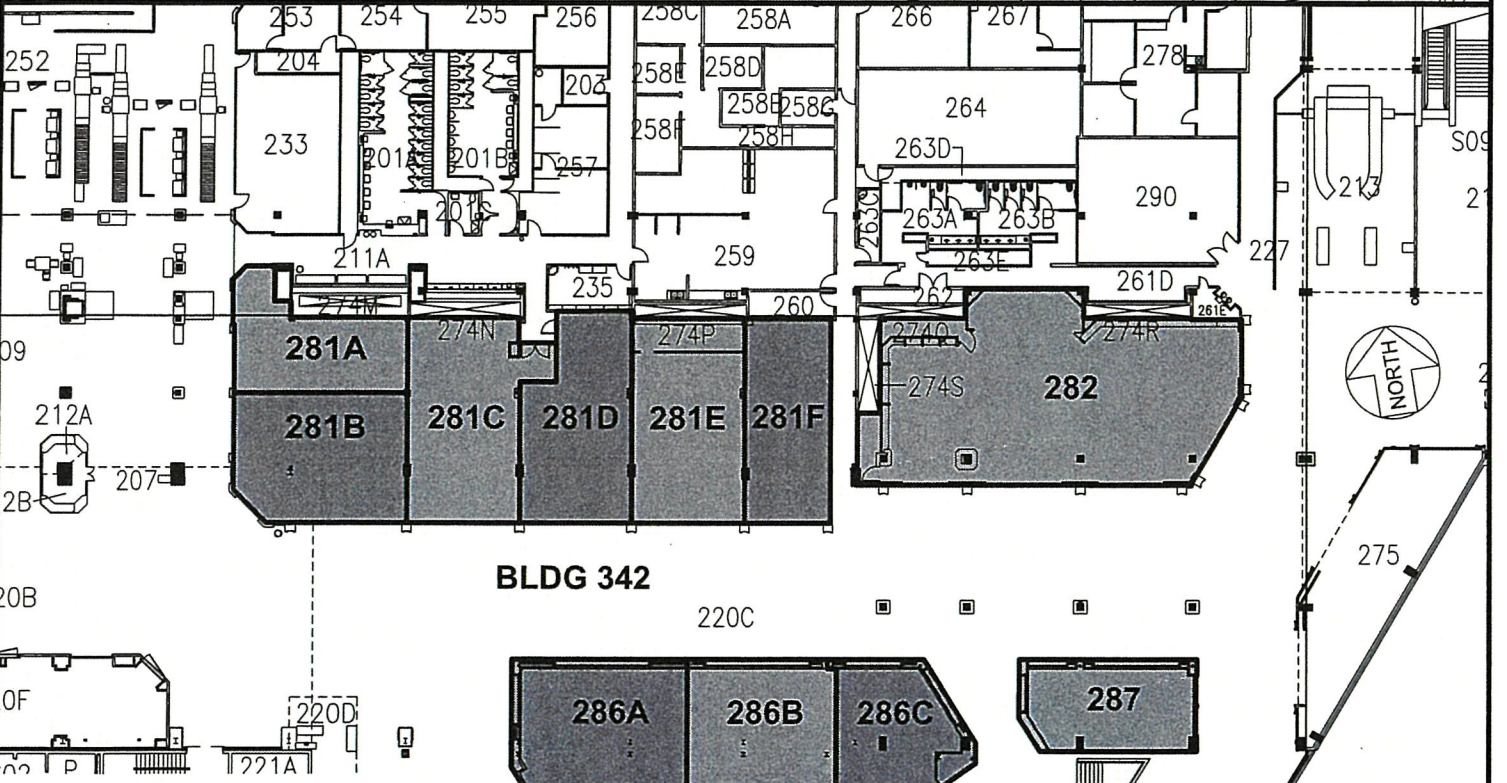
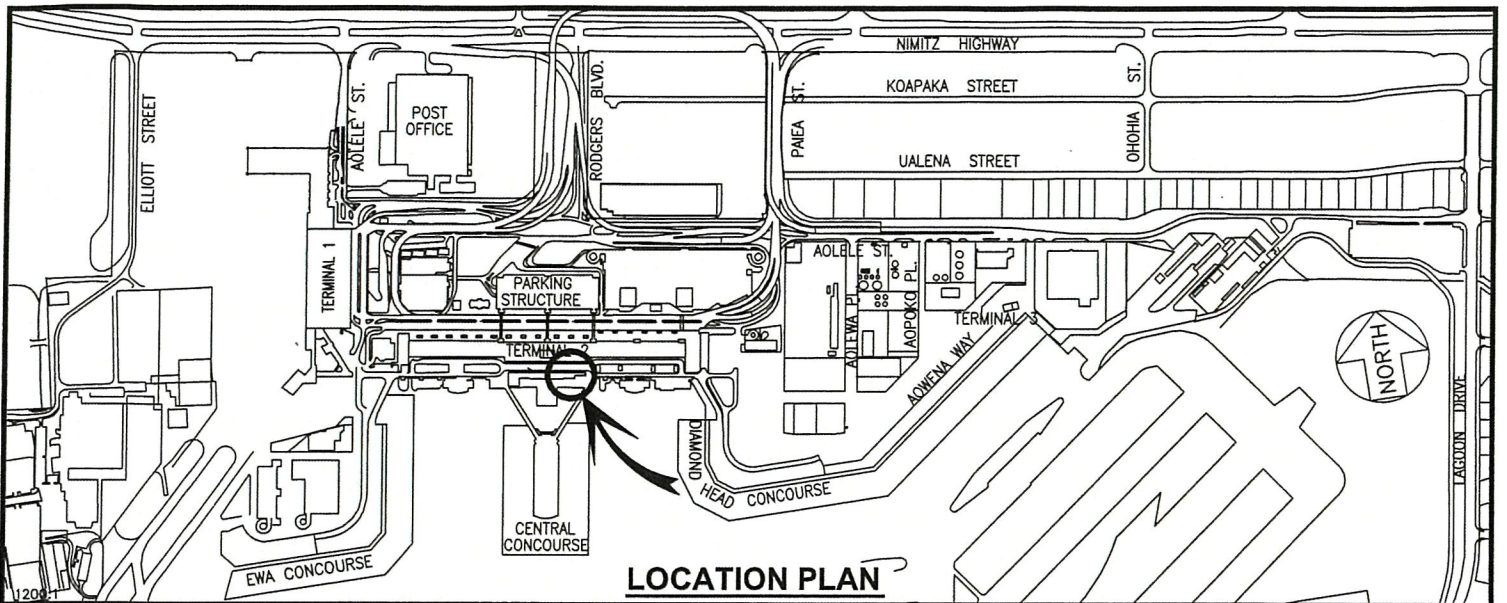


**BUILDING 342
WAITING LOBBY
SECOND LEVEL**

342273N

DANIEL K. INOUE INTERNATIONAL AIRPORT

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BLDG/ROOM	SQ. FT.
342 281A	694
342 281B	982
342 281C	1,127
342 281D	980
342 281E	1,061
342 281F	821

BLDG/ROOM	SQ. FT.
342 282	2,919
342 286A	1,276
342 286B	1,120
342 286C	845
342 287	734

SCALE: 1" = 40'

DATE : MARCH 2024

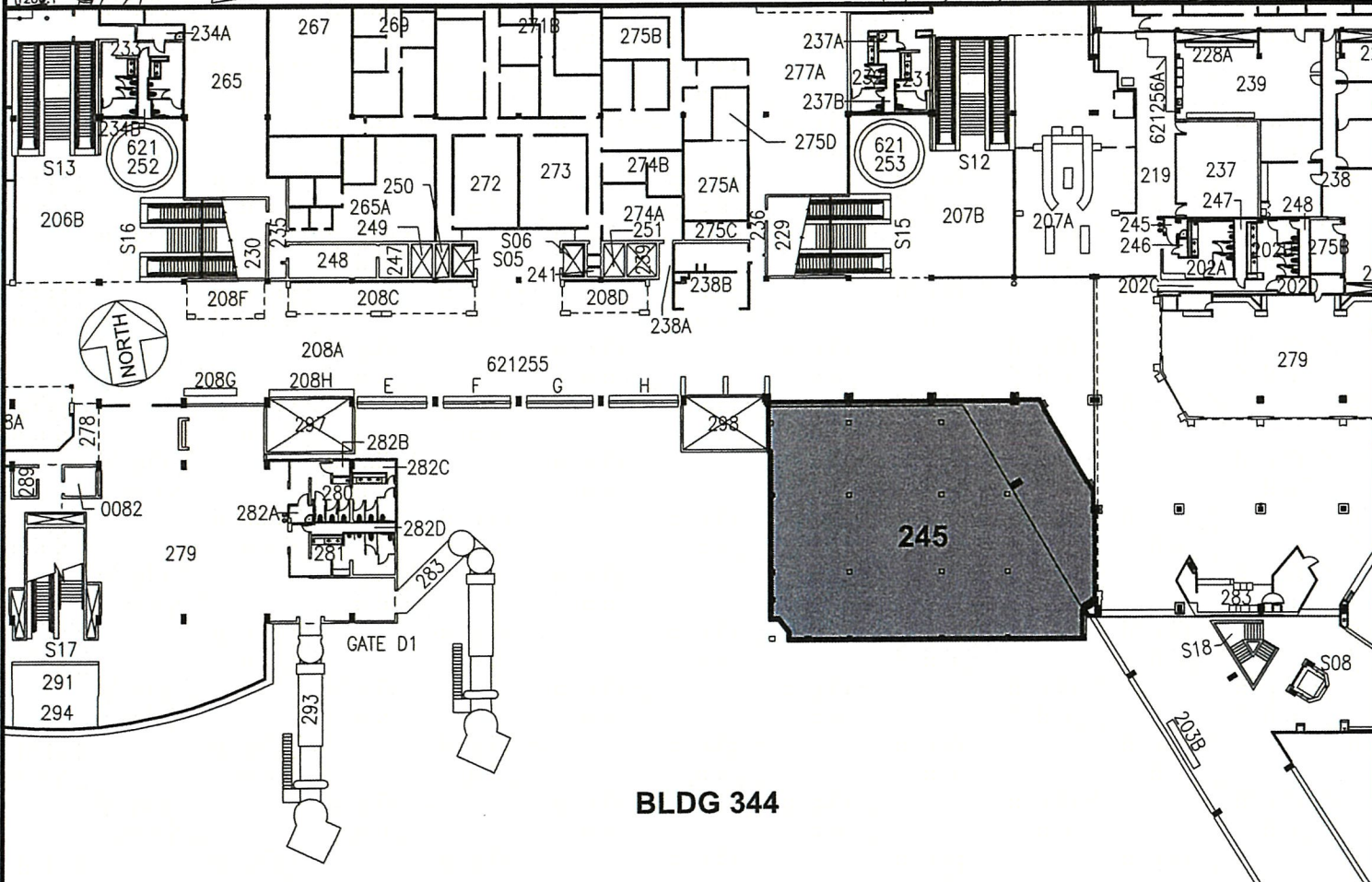
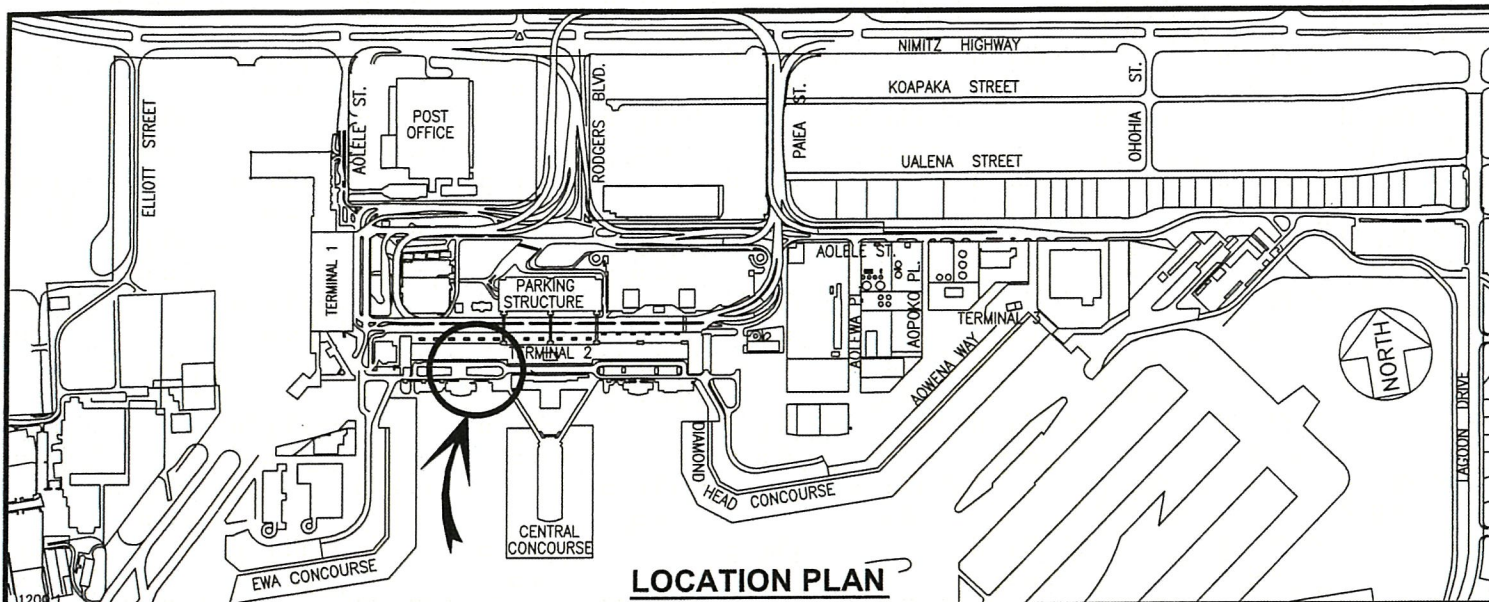
EXHIBIT: **E-2**



**BUILDING 342
WAITING LOBBY
SECOND LEVEL**

342281A-F
342282
342286A-C
342287

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BLDG/ROOM	SQ. FT.
344 245	6,237

SCALE: 1" = 50'

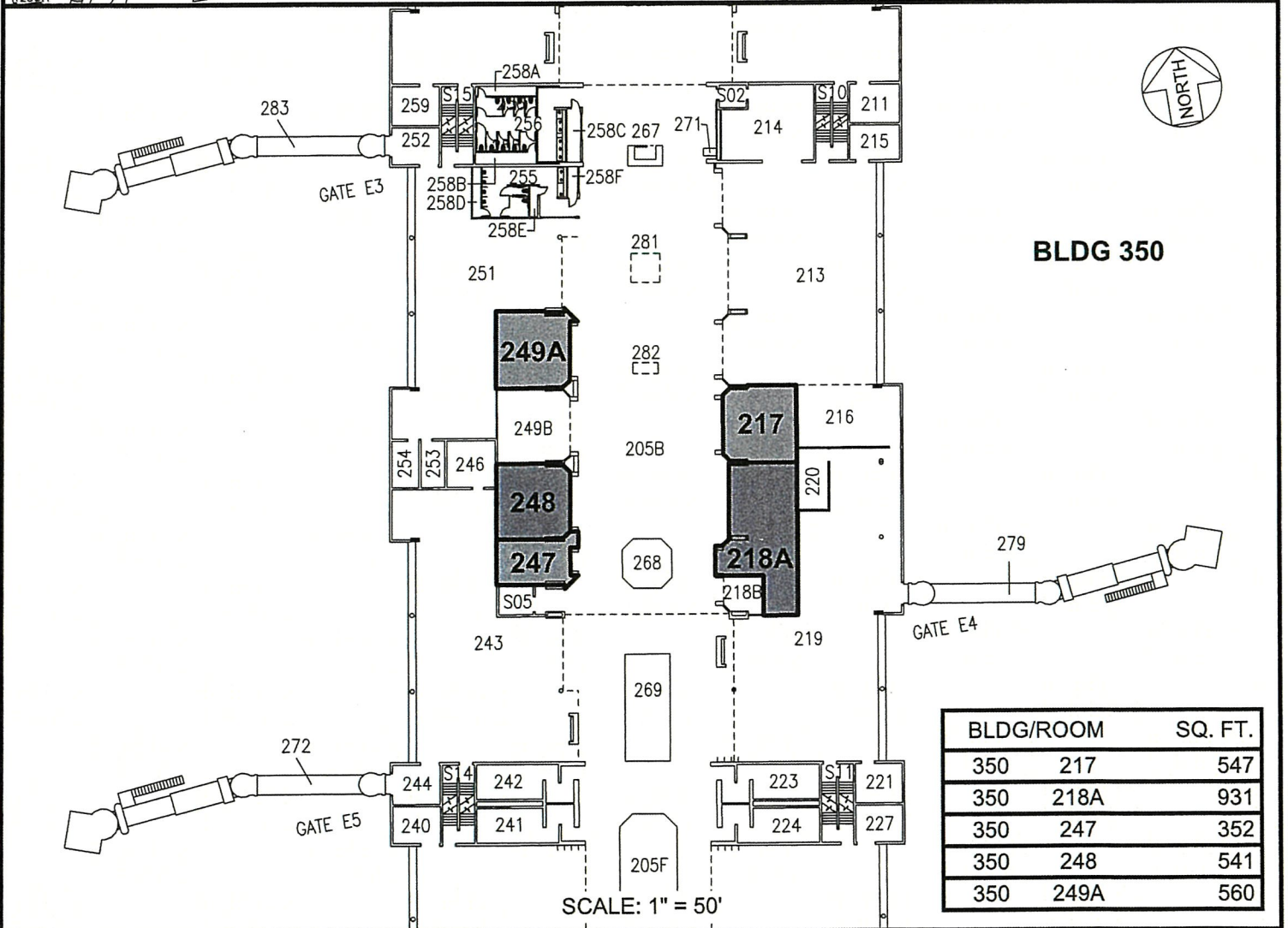
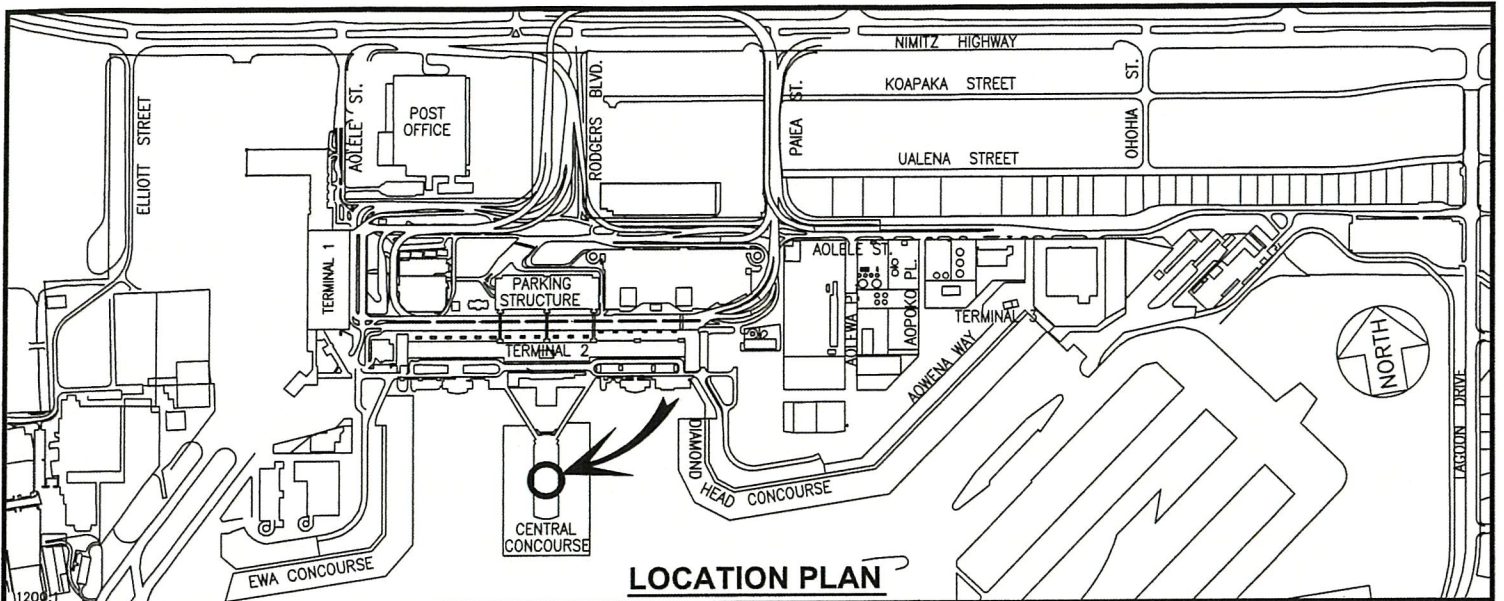
DATE : MARCH 2024

EXHIBIT: **F**



**BUILDING 344
EWA DOMESTIC EXTN.
SECOND LEVEL**

344245



DATE : MARCH 2024

EXHIBIT: **G**



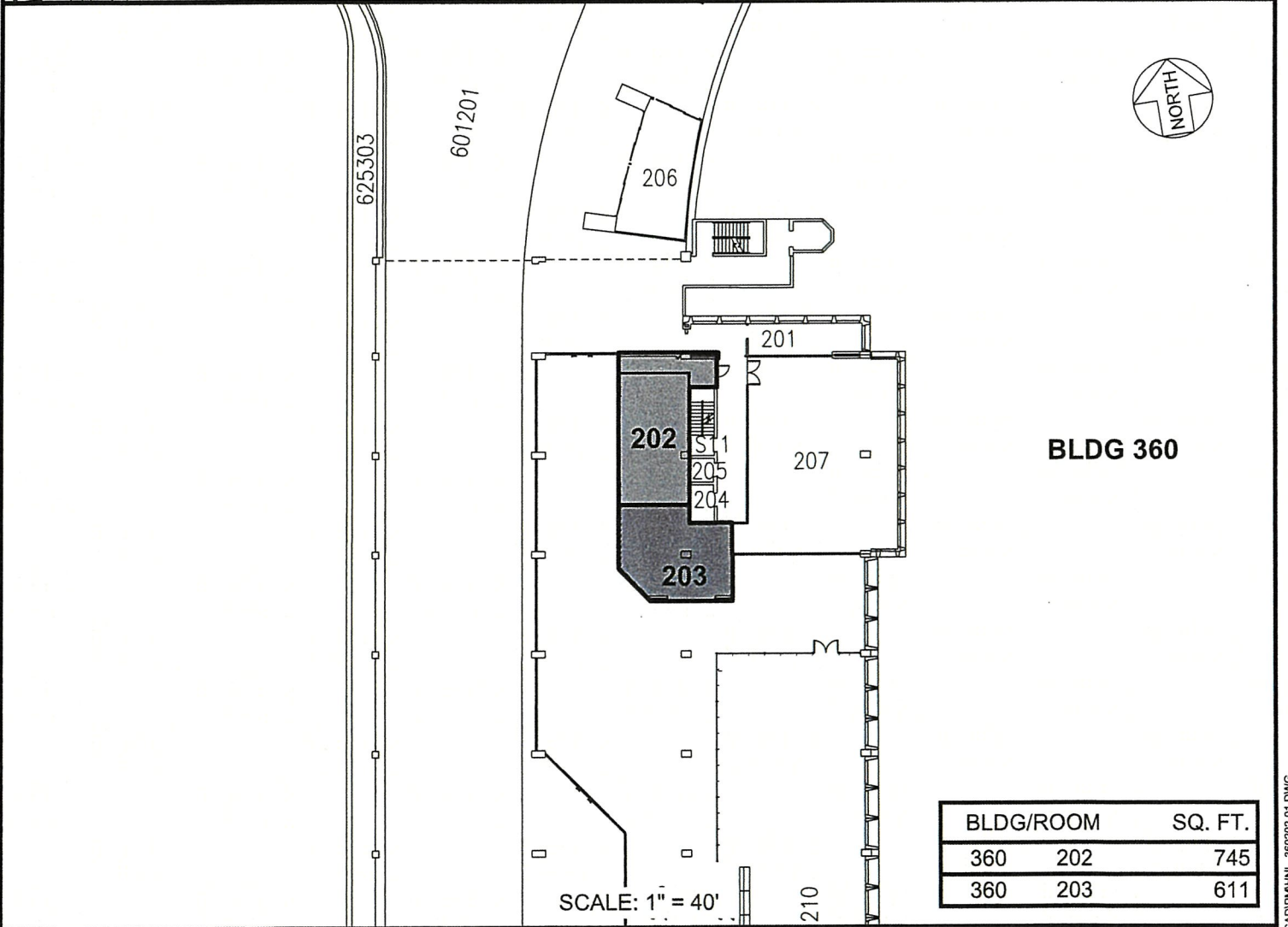
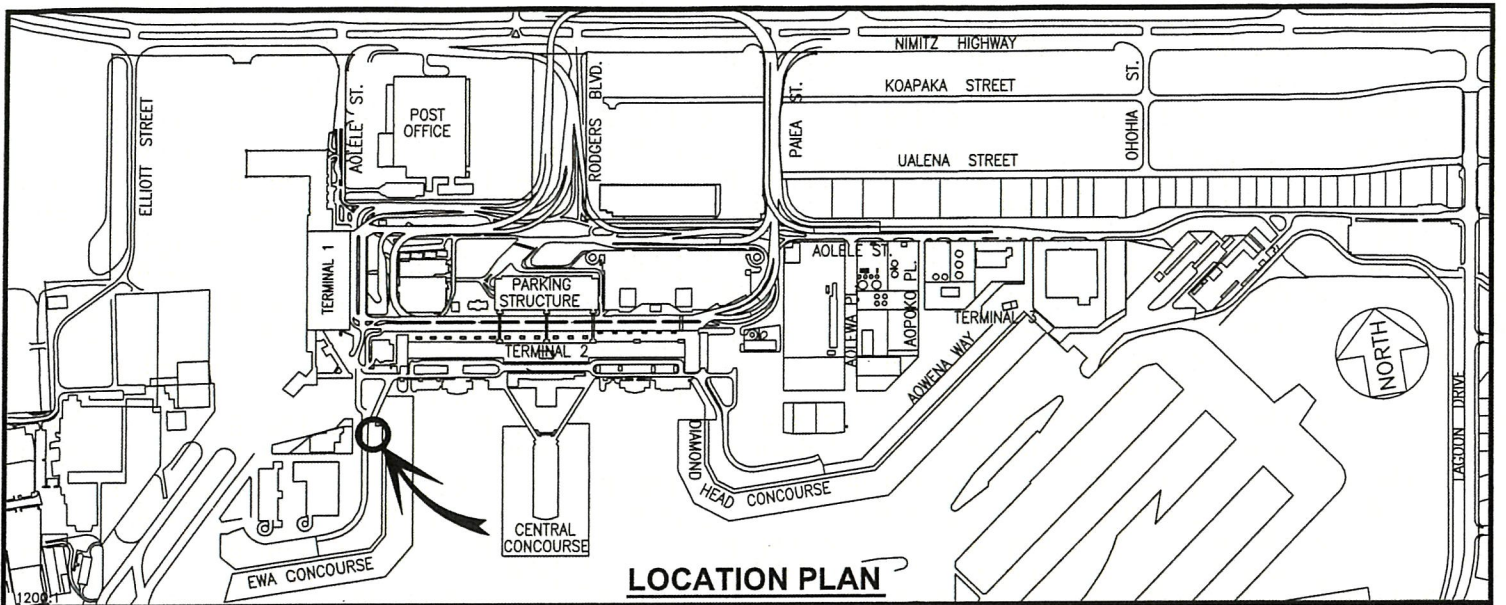
AIRPORTS

BUILDING 350
CENTRAL CONCOURSE
SECOND LEVEL

350217
350218A
350247-248
350249A

DANIEL K. INOUE INTERNATIONAL AIRPORT

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BLDG/ROOM	SQ. FT.
360 202	745
360 203	611

SCALE: 1" = 40'

DATE : MARCH 2024

EXHIBIT: H-1

DEPARTMENT OF TRANSPORTATION
STATE OF HAWAII

AIRPORTS

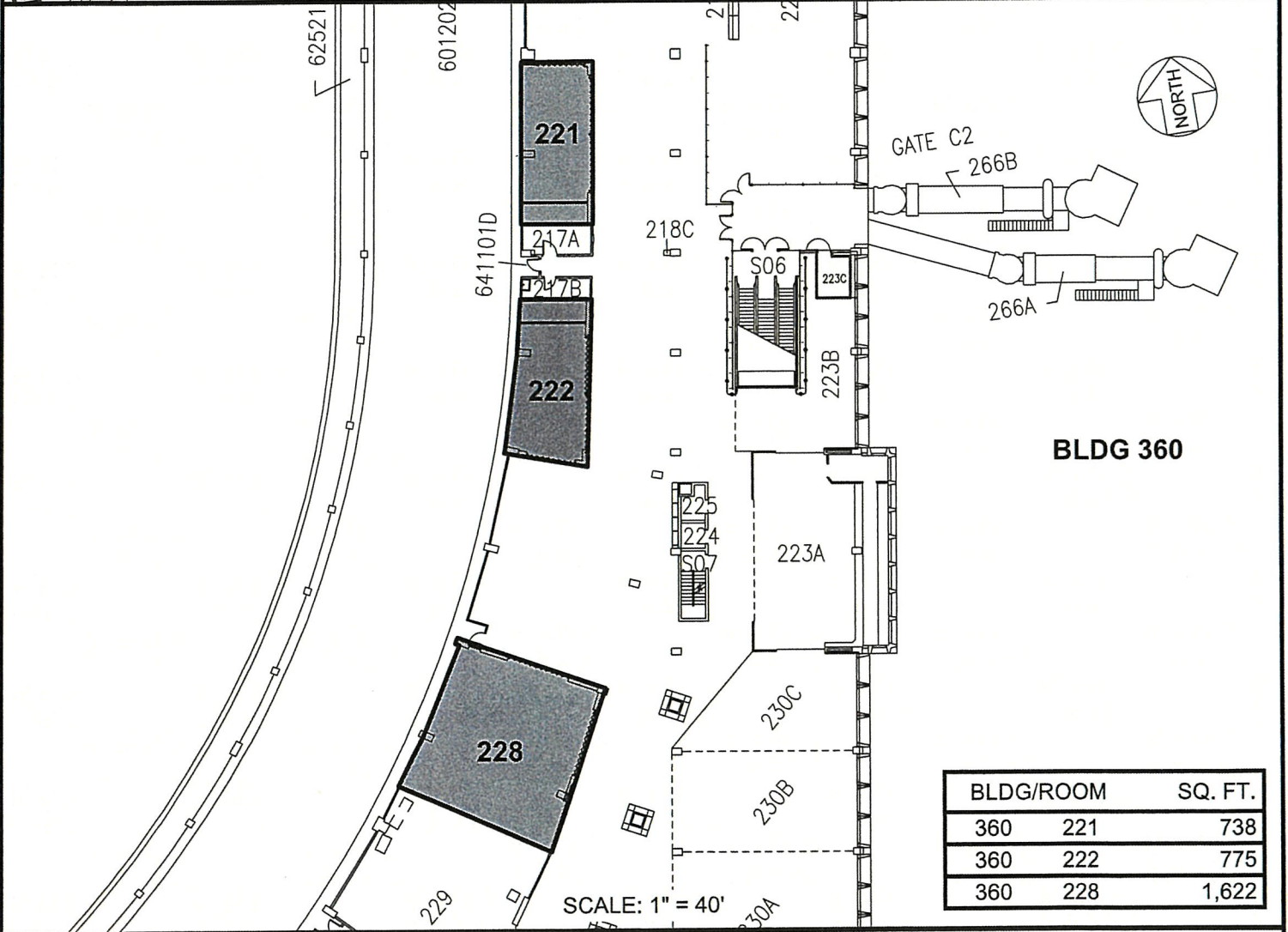
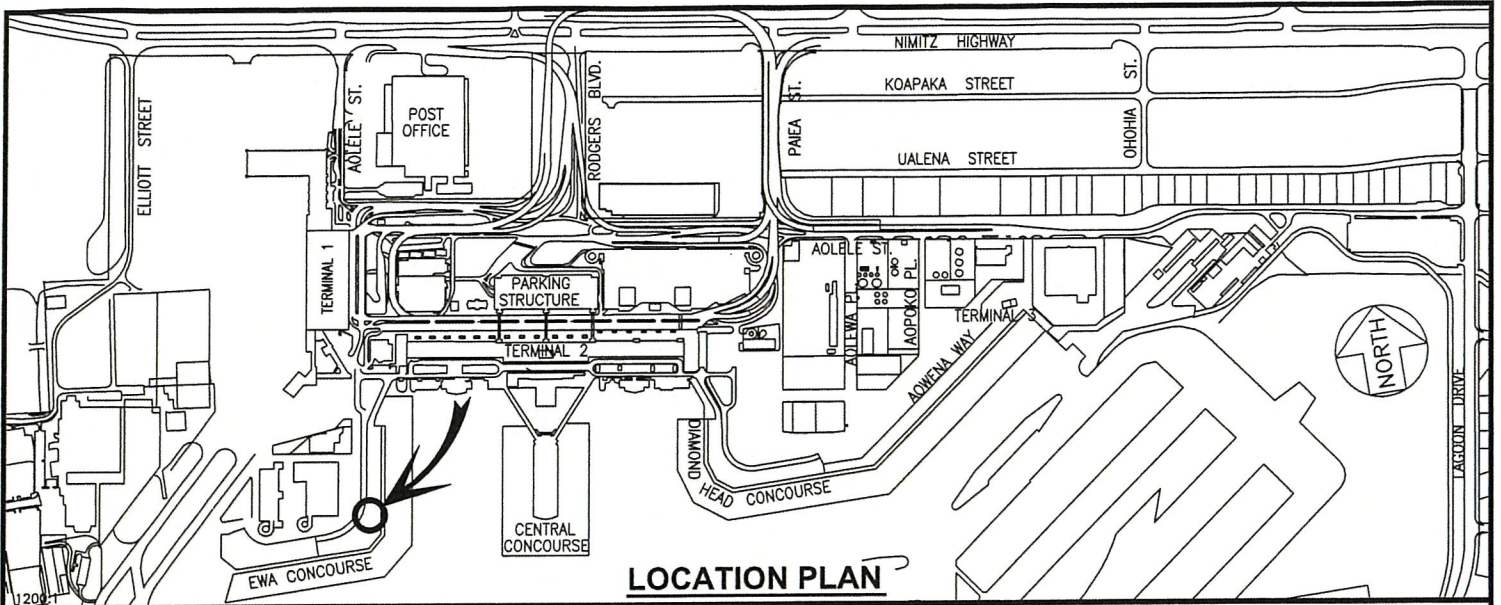
BUILDING 360
EWA CONCOURSE
SECOND LEVEL

360202
360203

360202
360203

DANIEL K. INOUE INTERNATIONAL AIRPORT

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DATE : MARCH 2024

EXHIBIT: **H-2**

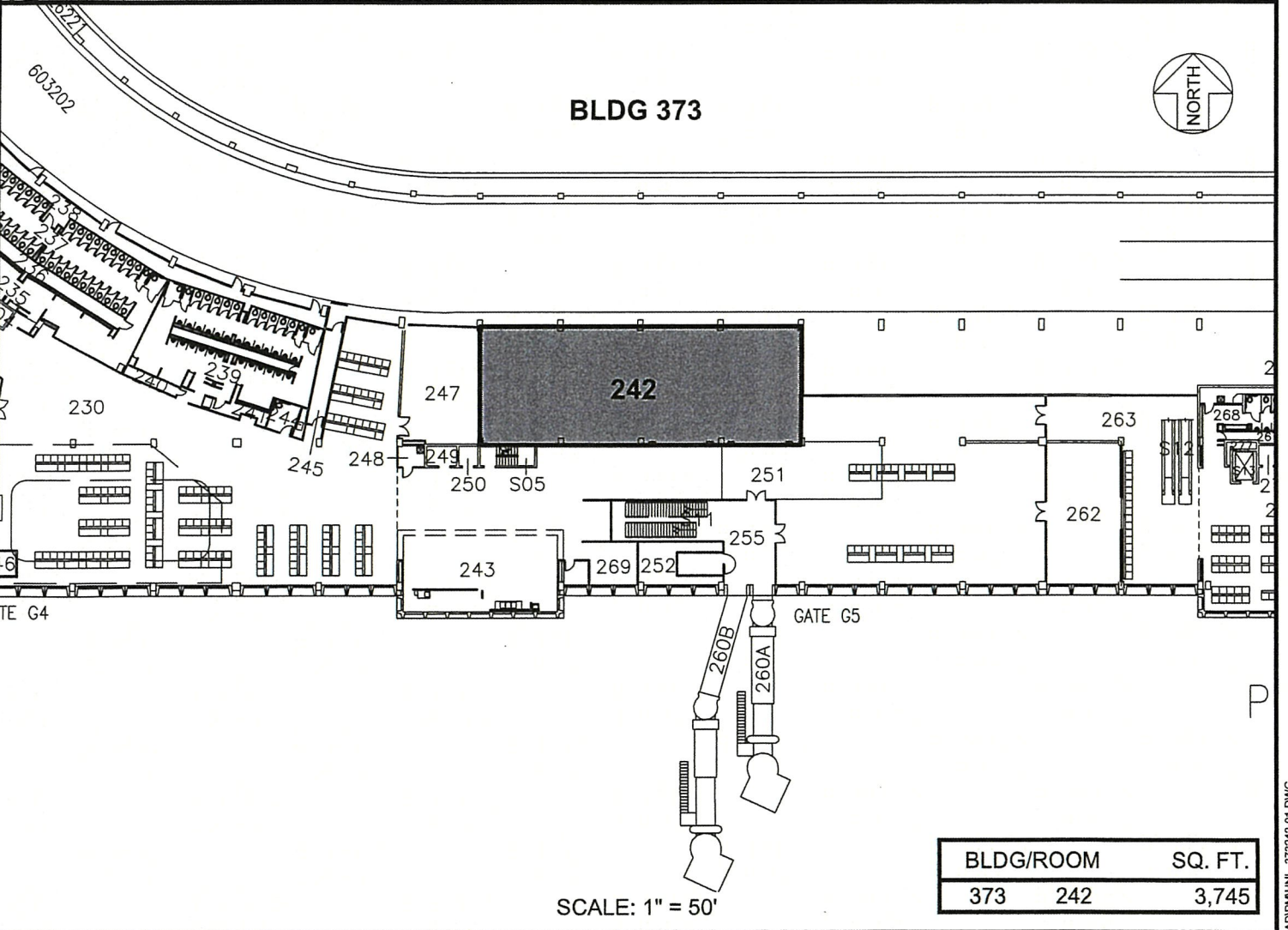
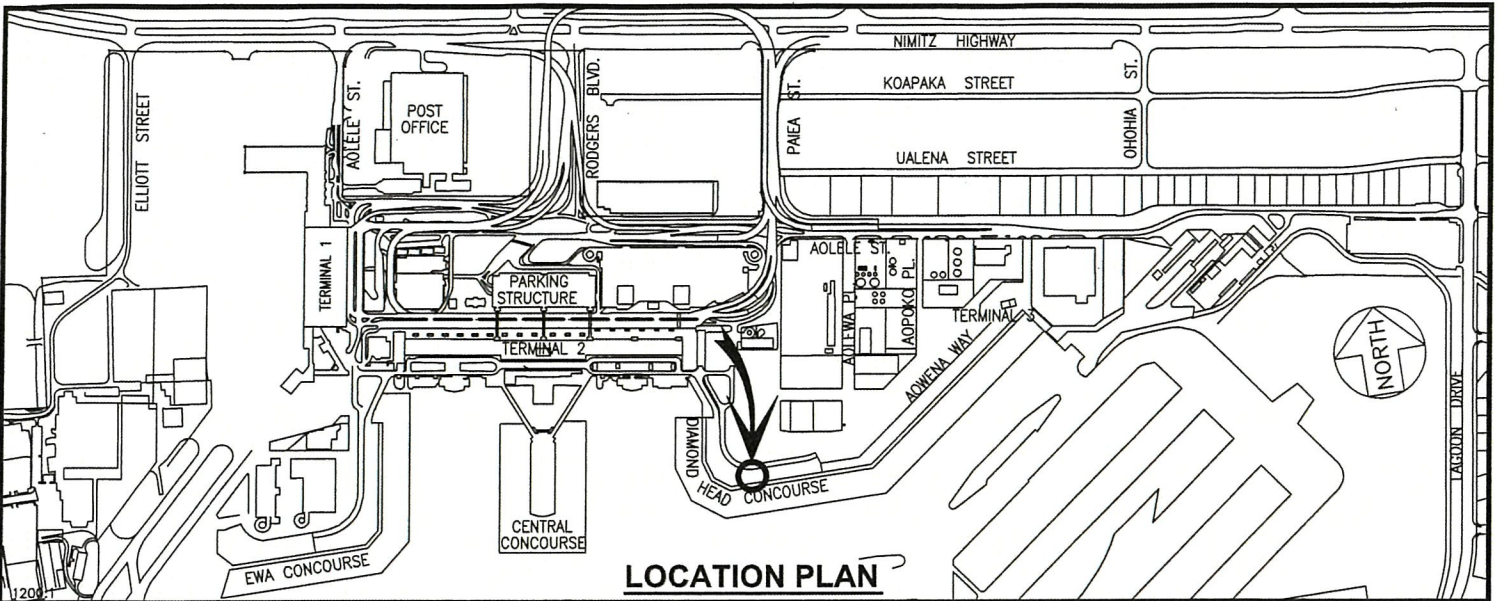


AIRPORTS

BUILDING 360
EWA CONCOURSE
SECOND LEVEL

360221
360222
360228

DANIEL K. INOUE INTERNATIONAL AIRPORT



DATE : MARCH 2024

EXHIBIT: |

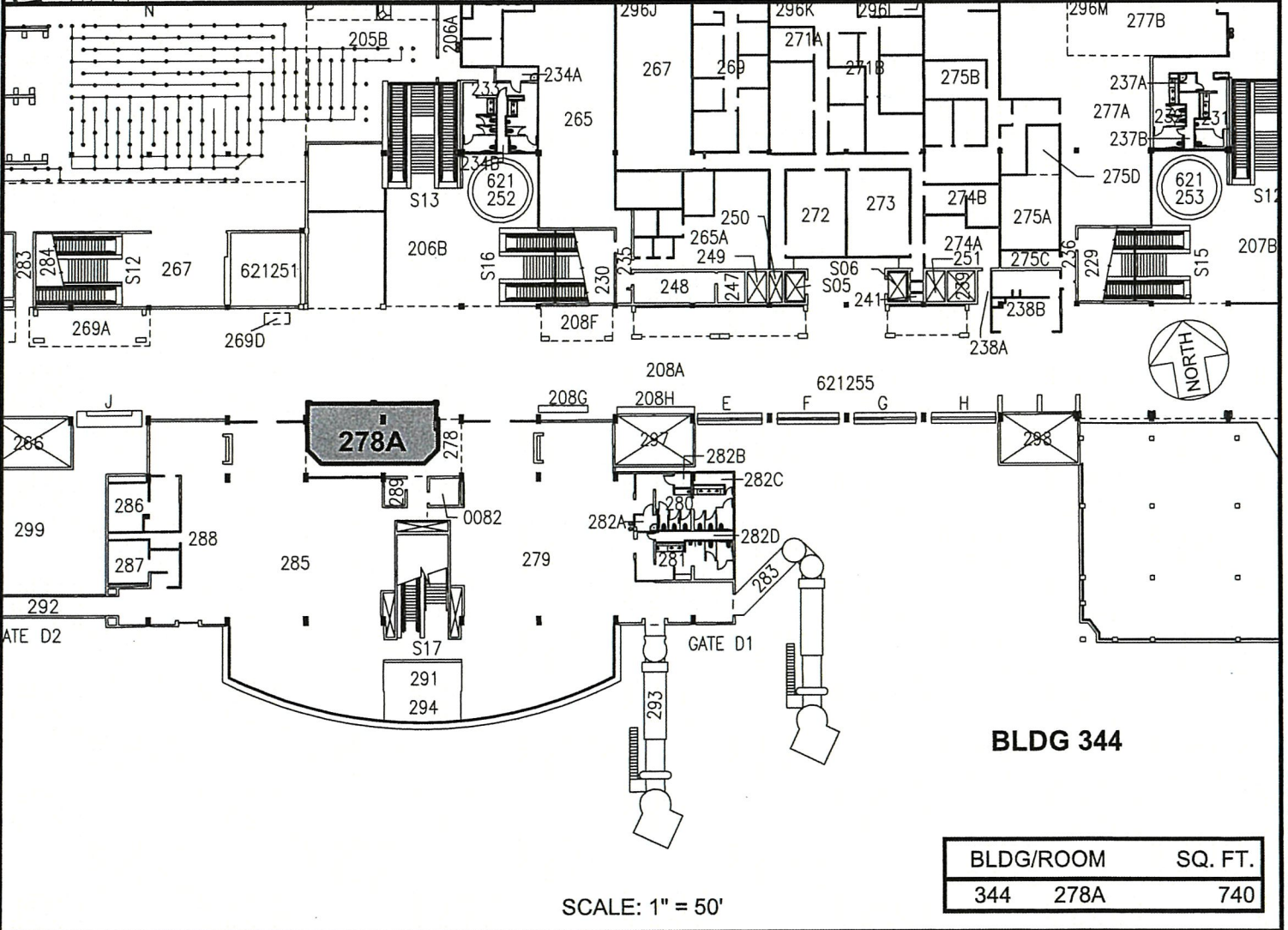
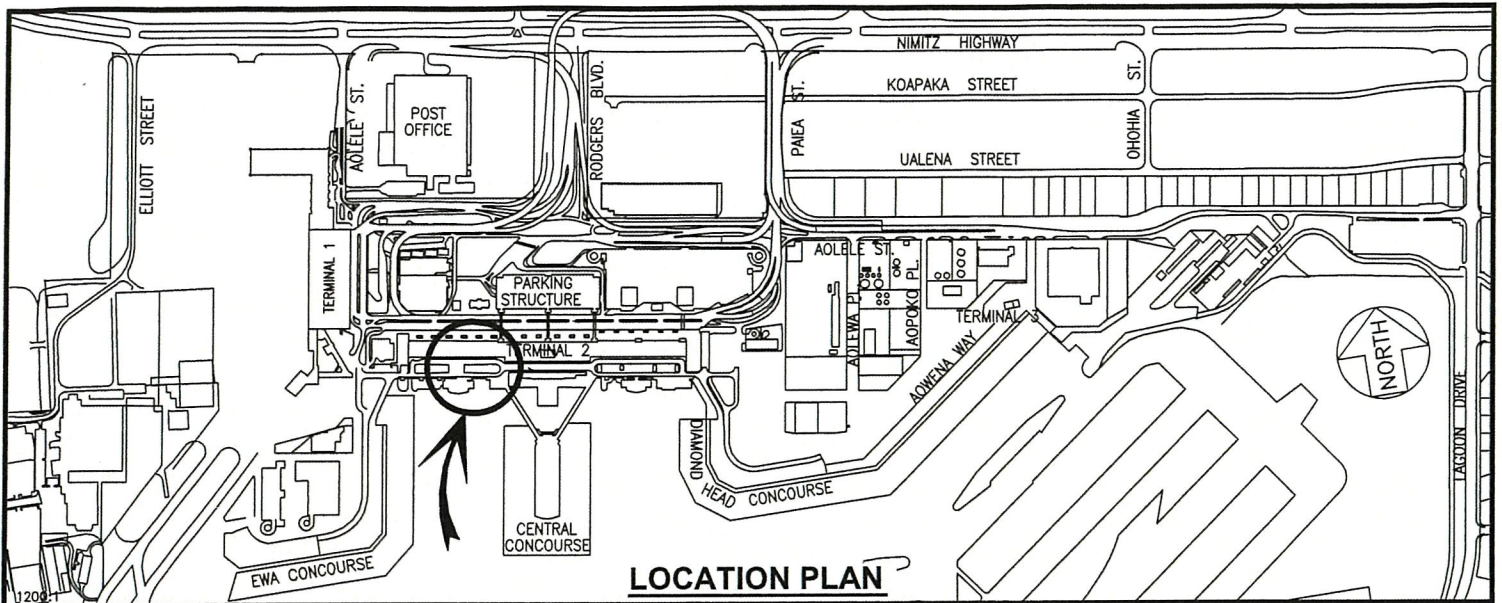


AIRPORTS

**BUILDING 373
D.H. CONCOURSE
SECOND LEVEL**

373242

DANIEL K. INOUE INTERNATIONAL AIRPORT



DATE : MARCH 2024

EXHIBIT: J



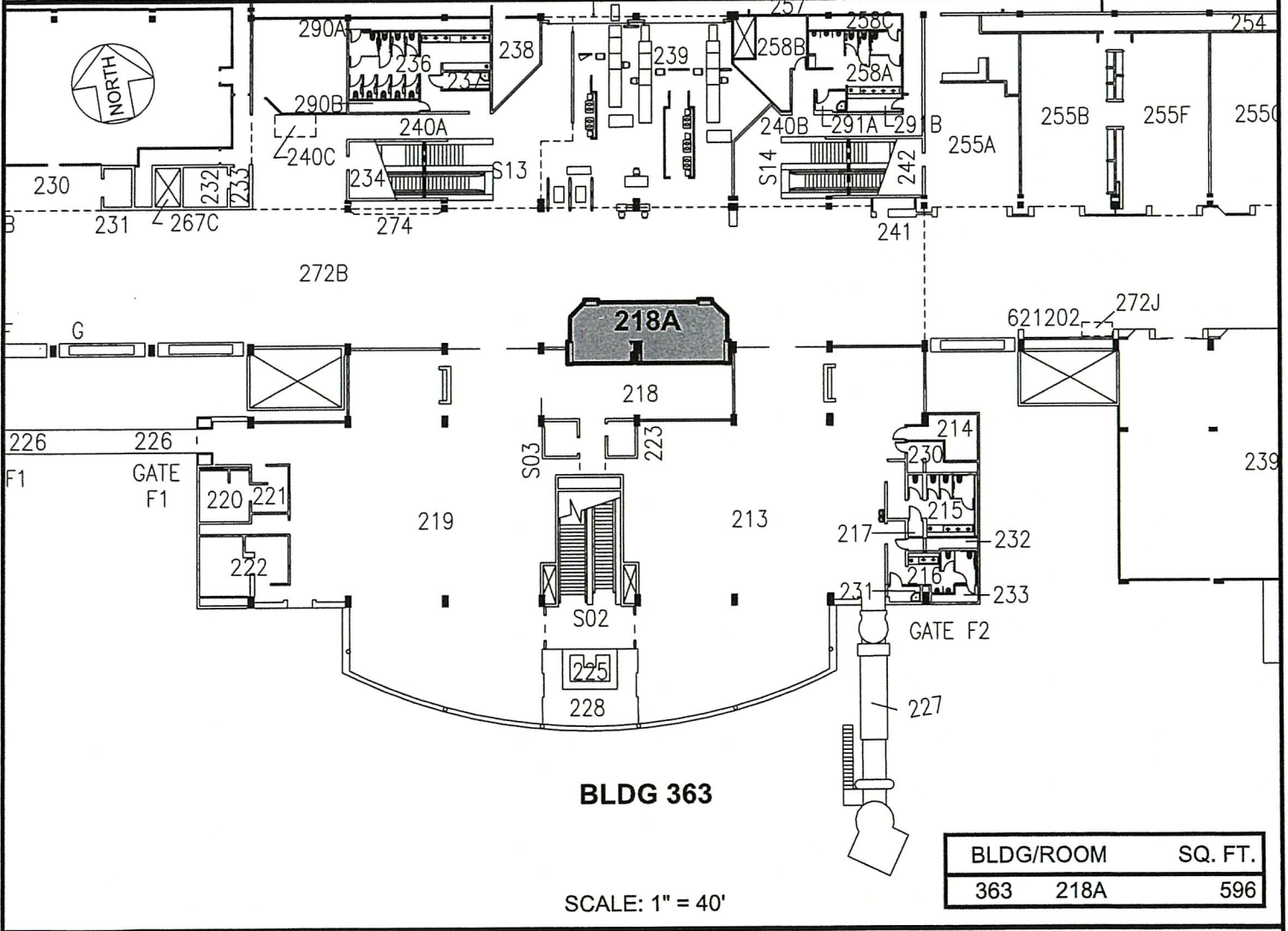
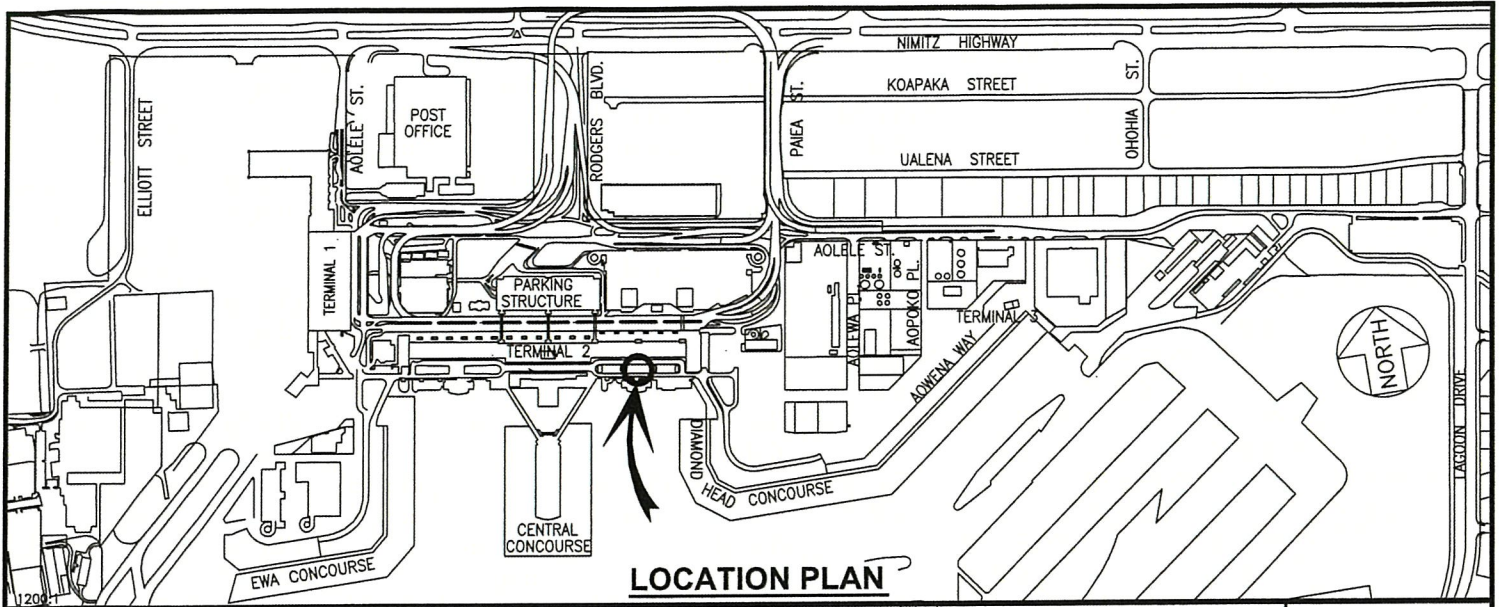
AIRPORTS

**BUILDING 344
EWA DOMESTIC EXTN.
SECOND LEVEL**

344278A

DANIEL K. INOUE INTERNATIONAL AIRPORT

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DATE : MARCH 2024

EXHIBIT: **K**



**BUILDING 363
D.H. CONNECTING LINK
SECOND LEVEL**

363218A

DANIEL K. INOUE INTERNATIONAL AIRPORT