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## SENATE RESOLUTION

REQUESTING A COST-BENEFIT STUDY TO DETERMINE WHETHER LEASING  
INCOME CAN BE MAXIMIZED FROM AIRPORT AND HARBOR SPACE  
THROUGH THE USE OF RETAIL LEASING AGENTS.

1           WHEREAS, House Concurrent Resolution No. 76, S.D. 1, 2009,  
2 established a Task Force on Reinventing Government to examine  
3 the current operations and organization of state government and  
4 make recommendations on making state government more efficient;  
5 and

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7           WHEREAS, the Task Force on Reinventing Government organized  
8 a Department of Transportation/Transportation Subcommittee  
9 (Subcommittee) to examine issues germane to transportation in  
10 the State; and

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12           WHEREAS, among the recommendations of the Subcommittee was  
13 to maximize leasing income from airport space and/or harbor  
14 space with the possible help of retail leasing agents; and

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16           WHEREAS, the finding of the Subcommittee, as included in  
17 the Report of the Task Force on Reinventing Government, stated:

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19           "The Subcommittee finds that while the DOT  
20 [Department of Transportation] recently has taken  
21 a more proactive stance in this regard than in  
22 the past, there may be further opportunities to  
23 improve rental revenues from retail spaces at  
24 airports and harbors. By applying expertise from  
25 retail developers, and considering how operations  
26 might be modified to enhance the value of retail  
27 space (without compromising operating  
28 objectives), more rental revenues may be  
29 achieved. In some cases presently, rents are  
30 structured in ways that encourage counter-  
31 productive outcomes. To obtain more specialized  
32 expertise and sensibility with respect to retail  
33 leasing, the DOT should explore engaging an  
34 outside leasing agent to handle the leasing of  
35 certain spaces."; and



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WHEREAS, the Legislature believes that the Department of Transportation should maximize leasing income from airport space and/or harbor space with the possible help of retail leasing agents, in accordance with the recommendations of the Subcommittee; now, therefore,

BE IT RESOLVED by the Senate of the Twenty-fifth Legislature of the State of Hawaii, Regular Session of 2010, that the Legislative Reference Bureau is requested to conduct a cost-benefit study, with the assistance of the Department of Transportation, to determine whether leasing income can be maximized from its airport and harbor space through the use of retail leasing agents, as recommended by the Subcommittee; and

BE IT FURTHER RESOLVED that the study include but not be limited to:

- (1) A determination of how airport and harbor space is currently being leased;
- (2) An identification of the current resources and costs, such as personnel, support facilities, and marketing, among other things, that are being used for or are dedicated to leasing airport and harbor space; and
- (3) An estimate of the amount of costs and savings if the leasing function of airport or harbor space, or both, were to be undertaken by leasing agents on contract with the Department of Transportation for that purpose; and

BE IT FURTHER RESOLVED that the study shall not include the broader issue of privatization in government operations; and

BE IT FURTHER RESOLVED the Legislative Reference Bureau report its findings and recommendations to the Legislature no later than twenty days prior to the convening of the Regular Session of 2011; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Director of the Legislative Reference Bureau, the Department of Transportation, and the Chair of the Task Force on Reinventing Government.

