

MAR 04 2010

SENATE CONCURRENT 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

15
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



1 leasing, the DOT should explore engaging an
2 outside leasing agent to handle the leasing of
3 certain spaces."; and
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5 WHEREAS, the Legislature believes that the Department of
6 Transportation should maximize leasing income from airport space
7 and/or harbor space with the possible help of retail leasing
8 agents, in accordance with the recommendations of the
9 Subcommittee; now, therefore,
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11 BE IT RESOLVED by the Senate of the Twenty-fifth
12 Legislature of the State of Hawaii, Regular Session of 2010, the
13 House of Representatives concurring, that the Legislative
14 Reference Bureau is requested to conduct a cost-benefit study,
15 with the assistance of the Department of Transportation, to
16 determine whether leasing income can be maximized from its
17 airport and harbor space through the use of retail leasing
18 agents, as recommended by the Subcommittee; and
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20 BE IT FURTHER RESOLVED that the study include but not be
21 limited to:
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- 23 (1) A determination of how airport and harbor space is
24 currently being leased;
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- 26 (2) An identification of the current resources and costs,
27 such as personnel, support facilities, and marketing,
28 among other things, that are being used for or are
29 dedicated to leasing airport and harbor space; and
30
- 31 (3) An estimate of the amount of costs and savings if the
32 leasing function of airport or harbor space, or both,
33 were to be undertaken by leasing agents on contracted
34 with the Department of Transportation for that
35 purpose; and
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37 BE IT FURTHER RESOLVED the Legislative Reference Bureau
38 report its findings and recommendations to the Legislature no
39 later than twenty days prior to the convening of the Regular
40 Session of 2011; and
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42 BE IT FURTHER RESOLVED that certified copies of this
43 Concurrent Resolution be transmitted to the Director of the



S.C.R. NO. 131

1 Legislative Reference Bureau, the Department of Transportation,
2 and the Chair of the Task Force on Reinventing Government.

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