



## AIRPORT CONCESSIONAIRES COMMITTEE

Honorable Sylvia Luke  
Chair, Committee on Finance  
House of Representatives  
Hawaii State Capitol  
Honolulu, Hawaii

Hearing: February 20, 2014, Room 308, 11 am

RE: HB 1811, HD1 - RELATING TO TRANSPORTATION

Chair Luke and Honorable Committee Members:

My name is Peter Fithian and I represent the Airport Concessionaires Committee. The Committee represents the majority of the concessions at Hawaii's public airports.

Our Committee supports this bill for a 6 month extension of Act 46 passed by the 2012 Legislature. More time is needed to review proposals and plans and gain necessary approvals at the discretion of Hawaii's DOT.

At the sole discretion of Hawaii's DOT, the program allows the DOT and individual airport concessions to continue to proceed with fast-tracking construction of 80,000 or more feet of concession space and/or improvements needed at Hawaii's public airports.

A DOT Airports study not only documented the immediate need for more space but also the additional and immediate revenues the DOT Airports division would generate from concession improvements when completed.

While the goal to enhance DOT revenues is important, this program per Act 46 recognizes hardships and extra costs such fast-tracking will result to various concessions due to barricades, noise, re-routing of passengers and possible temporary re-location of concession space. Further, various concessions with short-term leases and/or permits would object to such improvements since the remaining term on their lease/permit does not allow them to spend monies and amortize the costs of improving existing space and/or newly built space.

***Airport Concessionaires Committee  
Re HB 1811, HD1 February 20, 2014 testimony  
Page 2 of 2***

To help solve these difficulties, to meet the goal to fast tracking improvements and to gain additional airport revenues sooner than later, this program allows the DOT at its sole discretion to work with airport concessions, and in exchange for expenses paid and improvements made by concessions, the DOT at its sole discretion may modify and extend the term of concession leases and permits to address such concerns and hardships faced by the concessions.

Various concessions are still proceeding to meet and complete discussions with the DOT Airports divisions. The 6 month extension of Act 46 should allow for the completion of such discussions.

We respectfully urge you to pass this bill. As in the past, your continued support of this program is appreciated. Thank you.



Honorable Sylvia Luke, Chair  
Committee on Finance  
House of Representatives  
Hawaii State Capitol  
Honolulu, Hawaii

Hearing: February 20, 2014

P.O. Box 29638

Honolulu, Hawaii 96820

Phone: (808) 836-3322

Fax: (808) 833-7756

Email: RBFHNL@aol.com

RE: HB 1811, HD1 - RELATING TO TRANSPORTATION

Dear Chair Luke and Honorable Committee Representatives:

My name is Roberta Fithian and I am the President with Tiare Enterprises, Inc. which operates an airport concession.

We support this bill and also the arguments presented by the Airports Concessionaires Committee.

This bill seeks to extend Act 46 for 6 months beyond June 30, 2013. Various concessions need more time to review proposals and plans and gain necessary approvals at the discretion of Hawaii's DOT.

While the goal to enhance DOT revenues is important, this program per Act 46 recognizes hardships and extra costs such fast-tracking will result to various concessions due to barricades and possible temporary re-location of concession space. Concessions with short-term leases and/or permits would object to such improvements since the remaining term on their lease/permit does not allow them to spend monies.

This program allows the DOT at its sole discretion to work with airport concessions, and in exchange for expenses paid and improvements made by concessions, the DOT at its sole discretion may modify and extend the term of concession leases and permits to address such concerns and hardships faced by the concessions.

We thank you for your past support and respectfully urge you to pass this bill. Thank you.

Honorable Sylvia Luke, Chair

Committee on Finance  
House of Representatives  
Hawaii State Capitol  
Honolulu, Hawaii

Hearing: February 20, 2014

RE: HB 1811, HD1 - RELATING TO TRANSPORTATION

Dear Chair Luke and Honorable Committee Representatives:

My name is Garrett Lew and I am the President of GRL Corporation which operates an airport concession.

We support this bill and also the arguments presented by the Airports Concessionaires Committee.

This bill seeks to extend Act 46 for 6 months beyond June 30, 2013. Various concessions need more time to review proposals and plans and gain necessary approvals at the discretion of Hawaii's DOT.

While the goal to enhance DOT revenues is important, this program per Act 46 recognizes hardships and extra costs such fast-tracking will result to various concessions due to barricades and possible temporary re-location of concession space. Concessions with short-term leases and/or permits would object to such improvements since the remaining term on their lease/permit does not allow them to spend monies.

This program allows the DOT at its sole discretion to work with airport concessions, and in exchange for expenses paid and improvements made by concessions, the DOT at its sole discretion may modify and extend the term of concession leases and permits to address such concerns and hardships faced by the concessions.

We thank you for your past support and respectfully urge you to pass this bill. Thank you.

Aloha,

Garrett Lew  
President  
GRL Corporation





# Greeters of Hawaii

---

Honorable Sylvia Luke, Chair  
Committee on Finance  
House of Representatives  
Hawaii State Capitol  
Honolulu, Hawaii

Hearing: February 20, 2014

RE: HB 1811, HD1 - RELATING TO TRANSPORTATION

Dear Chair Luke and Honorable Committee Representatives:

My name is Peter Fithian and I am the President with Greeters of Hawaii, Ltd. which operates an airport concession.

We support this bill and also the arguments presented by the Airports Concessionaires Committee.

This bill seeks to extend Act 46 for 6 months beyond June 30, 2013. Various concessions need more time to review proposals and plans and gain necessary approvals at the discretion of Hawaii's DOT.

While the goal to enhance DOT revenues is important, this program per Act 46 recognizes hardships and extra costs such fast-tracking will result to various concessions due to barricades and possible temporary re-location of concession space. Concessions with short-term leases and/or permits would object to such improvements since the remaining term on their lease/permit does not allow them to spend monies.

This program allows the DOT at its sole discretion to work with airport concessions, and in exchange for expenses paid and improvements made by concessions, the DOT at its sole discretion may modify and extend the term of concession leases and permits to address such concerns and hardships faced by the concessions.

We thank you for your past support and respectfully urge you to pass this bill. Thank you.



Honolulu International Airport

Honorable Sylvia Luke, Chair  
Committee on Finance  
House of Representatives  
Hawaii State Capitol  
Honolulu, Hawaii

Hearing: February 20, 2014

RE: HB 1811, HD1 - RELATING TO TRANSPORTATION

Dear Chair Luke and Honorable Committee Representatives:

My name is Chris Wong and I am the Sr. Director of Operations with HMSHost which operates an airport concession.

We support this bill and also the arguments presented by the Airports Concessionaires Committee.

This bill seeks to extend Act 46 for 6 months beyond June 30, 2013. Various concessions need more time to review proposals and plans and gain necessary approvals at the discretion of Hawaii's DOT.

While the goal to enhance DOT revenues is important, this program per Act 46 recognizes hardships and extra costs such fast-tracking will result to various concessions due to barricades and possible temporary re-location of concession space. Concessions with short-term leases and/or permits would object to such improvements since the remaining term on their lease/permit does not allow them to spend monies.

This program allows the DOT at its sole discretion to work with airport concessions, and in exchange for expenses paid and improvements made by concessions, the DOT at its sole discretion may modify and extend the term of concession leases and permits to address such concerns and hardships faced by the concessions.

We thank you for your past support and respectfully urge you to pass this bill.  
Thank you.

HMSHost Corporation, Hawaii

By

Chris Wong, Senior Director of Operations

P. O. Box 30428 Honolulu, HI 96820 Phone: 808.836.2566 Fax: 808.834.0968

NEIL ABERCROMBIE  
GOVERNOR



Testimony of  
GLENN M. OKIMOTO  
DIRECTOR

Deputy Directors  
FORD N. FUCHIGAMI  
RANDY GRUNE  
AUDREY HIDAND  
JADINE URASAKI

IN REPLY REFER TO:

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

February 20, 2014  
11:00 a.m.  
State Capitol, Room 308



H.B. 1811, H.D. 1  
RELATING TO TRANSPORTATION

House Committee on Finance

---

The Department of Transportation **supports** this bill which extends the sunset date for ACT 46, Session Laws of 2012, to **December 31, 2014**.

ACT 46 authorizes the department of transportation to modify the terms of concessions and leases in ways that encourage revenue-enhancing improvements to be made by concessions. These investments complement the department's efforts in modernizing its airports and contribute to the quality of the visitor experience.

We appreciate the opportunity to submit this testimony.