

## Honolulu International Airport

Honorable David Ige, Chair Committee on Ways and Means Hawaii State Senate Hawaii State Capitol Honolulu, Hawaii

Hearing: February 25, 2014, Room 211

RE: <u>SB 2727, SD1 - RELATING TO TRANSPORTATION</u>

Dear Chair Ige and Honorable Senators:

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

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Honorable David Ige, Chair Committee on Ways and Means Hawaii State Senate Hawaii State Capitol Honolulu, Hawaii

RE: SB 2727, SD1 - RELATING TO TRANSPORTATION

Hearing: February 25, 2014, Room 211

Dear Chair Ige and Honorable Senators:

My name is John Matias and I am the President of Island Shoppers, 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.

Aloha,

John R. Matias Jr. President Island Shoppers, Inc.



## AIRPORT CONCESSIONAIRES COMMITTEE

Honorable David Ige Chair, Committee on Ways and Means Hawaii State Senate Hawaii State Capitol Honolulu, Hawaii

Hearing: February 25, 2014, Room 211, 9:20a.m.

RE: SB 2727, SD1 - RELATING TO TRANSPORTATION

Chair Ige 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

Airport Concessionaires Committee Re SB 2727, SD 1 Page 2 of 2

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.

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 David Ige, Chair Committee on Ways and Means Hawaii State Senate Hawaii State Capitol Honolulu, Hawaii

Hearing: February 25, 2014, Room 211

RE: SB 2727, SD1 - RELATING TO TRANSPORTATION

Dear Chair Ige and Honorable Senators:

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.



Honorable David Ige, Chair Committee on Ways and Means Hawaii State Senate Hawaii State Capitol Honolulu, Hawaii

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RE: SB 2727, SD1 - RELATING TO TRANSPORTATION

Hearing: February 25, 2014, Room 211

Dear Chair Ige and Honorable Senators:

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.