

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



EDWIN H. SNIFFEN
DIRECTOR
KA LUNA HO'OKELE

Deputy Directors
Nā Hopa Luna Ho'okele
DREANALEE K. KALILI
TAMMY L. LEE
CURT T. OTAGURO
ROBIN K. SHISHIDO

IN REPLY REFER TO:

AIR-PM 26.0030

STATE OF HAWAI'I | KA MOKU'ĀINA 'O HAWAI'I
DEPARTMENT OF TRANSPORTATION | KA 'OIHANA ALAKAU
AIRPORTS
400 RODGERS BOULEVARD, SUITE 700
HONOLULU, HAWAII 96819-1880

February 12, 2026

DOT Land Matters
State of Hawaii
Honolulu, Hawaii

ISSUANCE OF CONCESSION AGREEMENT NO. DOT-A-26-0003
FOR THE OPERATION AND MANAGEMENT OF THE STATEWIDE
IN-BOND (DUTY-FREE) CONCESSION
INTERNATIONAL SHOPPES HNL PARTNERS, LLC
DANIEL K. INOUYE INTERNATIONAL AIRPORT
TAX MAP KEY: (1) 1-1-003: 001 (PORTION)

OAHU

REQUEST:

The State of Hawaii Department of Transportation (HDOT) proposes to issue a directly-negotiated Concession Agreement, for the operation and management of a Statewide In-Bond (Duty-Free) Concession, to International Shoppes HNL Partners, LLC.

APPLICANT/CONCESSIONAIRE:

International Shoppes HNL Partners, LLC, whose business address is 540 Rockaway Avenue, Valley Stream, New York 11581.

LEGAL REFERENCE:

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

LOCATION AND TAX MAP KEY:

Daniel K. Inouye International Airport (HNL Airport), Island of Oahu, State of Hawaii, identified by Tax Map Key: 1st Division, 1-1-003: 001 (Portion), as shown on the attached Exhibit A.

AREA:

1. In-Bond (Duty-Free) Sales at HNL Airport
Building/Room No. 342-220F, containing an area of approximately 1,414 square feet,

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Building/Room No. 342-284A, containing an area of approximately 1,324 square feet, and

Building/Room No. 342-284B, containing an area of approximately 1,905 square feet, as shown and delineated on the attached Exhibit B.

Building/Room No. 342-281C, containing an area of approximately 1,127 square feet, as shown and delineated on the attached Exhibit C.

Building/Room No. 360-222, containing an area of approximately 775 square feet, as shown and delineated on the attached Exhibit D.

2. In-Bond (Duty-Free) Storage Space at HNL Airport

Building/Room No. 344-140A, containing an area of approximately 1,753 square feet, Building/Room No. 344-140C, containing an area of approximately 865 square feet, and Building/Room No. 344-140D, containing an area of approximately 2,540 square feet, as shown and delineated on the attached Exhibit E.

3. During the term of the Concession Agreement, HDOT may, at HDOT's sole discretion, require or permit the Concessionaire to add additional spaces at HNL Airport, Ellison Onizuka Kona International Airport at Keahole, Hilo International Airport, Kahului Airport, and Lihue Airport.

ZONING:

HNL Airport

State Land Use District: Urban

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

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 by HDOT, for Airport purposes.

CHARACTER OF USE:

Operation and management of a Statewide In-Bond (Duty-Free) Concession.

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TERM:

Ten (10) years

COMMENCEMENT DATE:

April 1, 2026

ANNUAL CONCESSION FEE:

For each year of the Concession Agreement term, the annual concession fee shall be as follows:

Percentage Fee. Fifteen percent (15% of the Concessionaire's annual gross receipts generated from, related or attributable to, or connected with the sale of merchandise authorized, up to \$7 million dollars, and then twenty percent (20%) in excess of \$7 million dollars.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u>X</u>	NO _____
Registered business name confirmed:	YES <u>X</u>	NO _____
Good standing confirmed:	YES <u>X</u>	NO _____

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 best environmental management practice will address minimal impacts from this action.

REMARKS:

In accordance with Section 102-2, HRS, HDOT proposes to issue a directly-negotiated Concession Agreement to International Shoppes HNL Partners, LLC for the operation and management of the Statewide In-Bond (Duty-Free) Concession.

International Shoppes HNL Partners, LLC will be required to provide high quality In-Bond (Duty-Free) offerings and services to international travelers.

HDOT recognizes International Shoppes HNL Partners, LLC's investment and commitment to the State of Hawaii, and believes that the issuance of the Statewide In-Bond (Duty-Free) Concession Agreement to International Shoppes HNL Partners, LLC is in the best interest of the State.

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RECOMMENDATION:

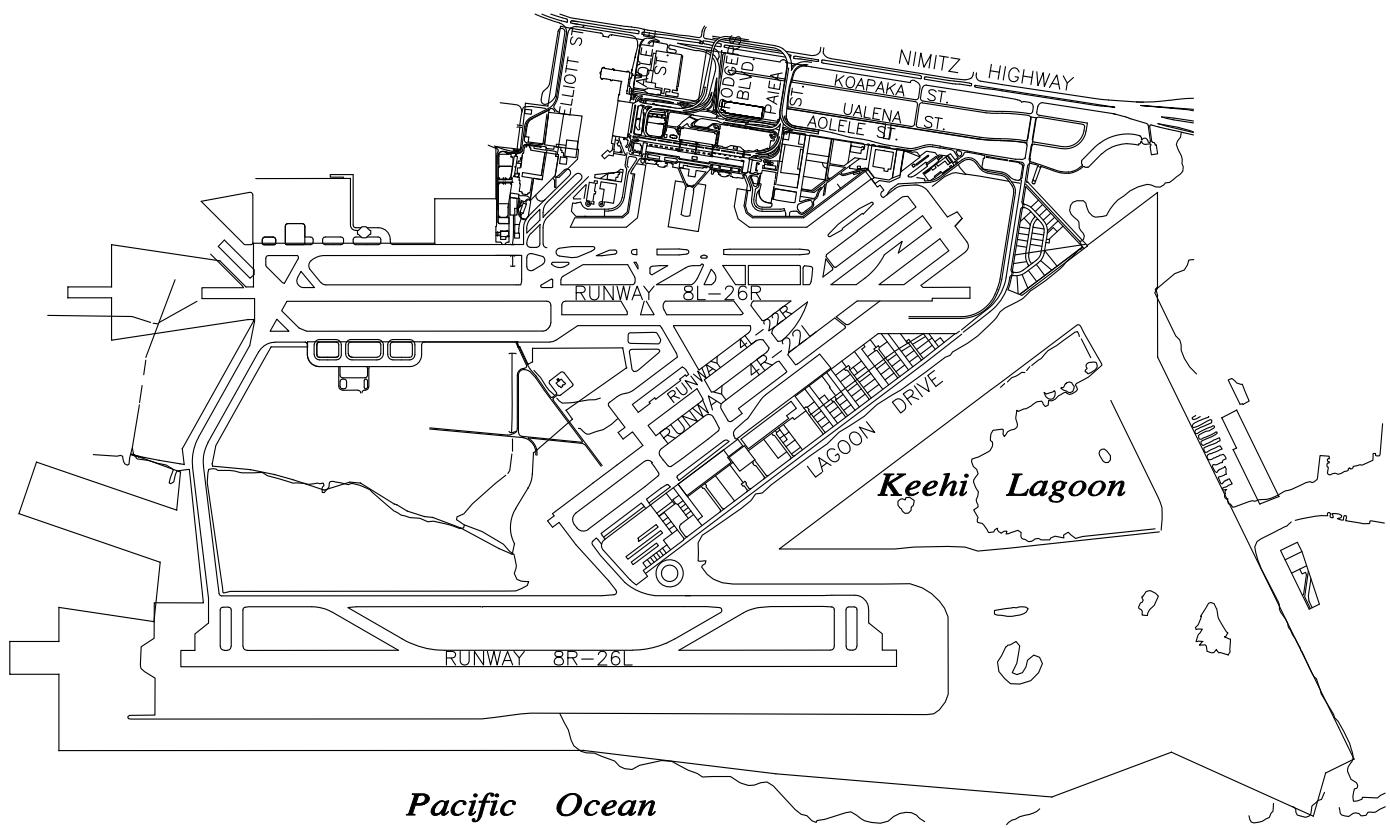
That the Director of Transportation (DIR) authorizes HDOT to issue a directly-negotiated Concession Agreement relating to the operation and management of the In-Bond (Duty-Free) Concession to International Shoppees HNL Partners, LLC at the Airports Statewide, subject to: (1) terms and conditions herein outlined, which are by reference incorporated herein; (2) such additional terms and conditions as may be prescribed by the DIR 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,



CURT T. OTAGURO
Deputy Director of Transportation for Airports

Attachments



DOT-A-26-0003

DATE : JANUARY 2026

EXHIBIT: A

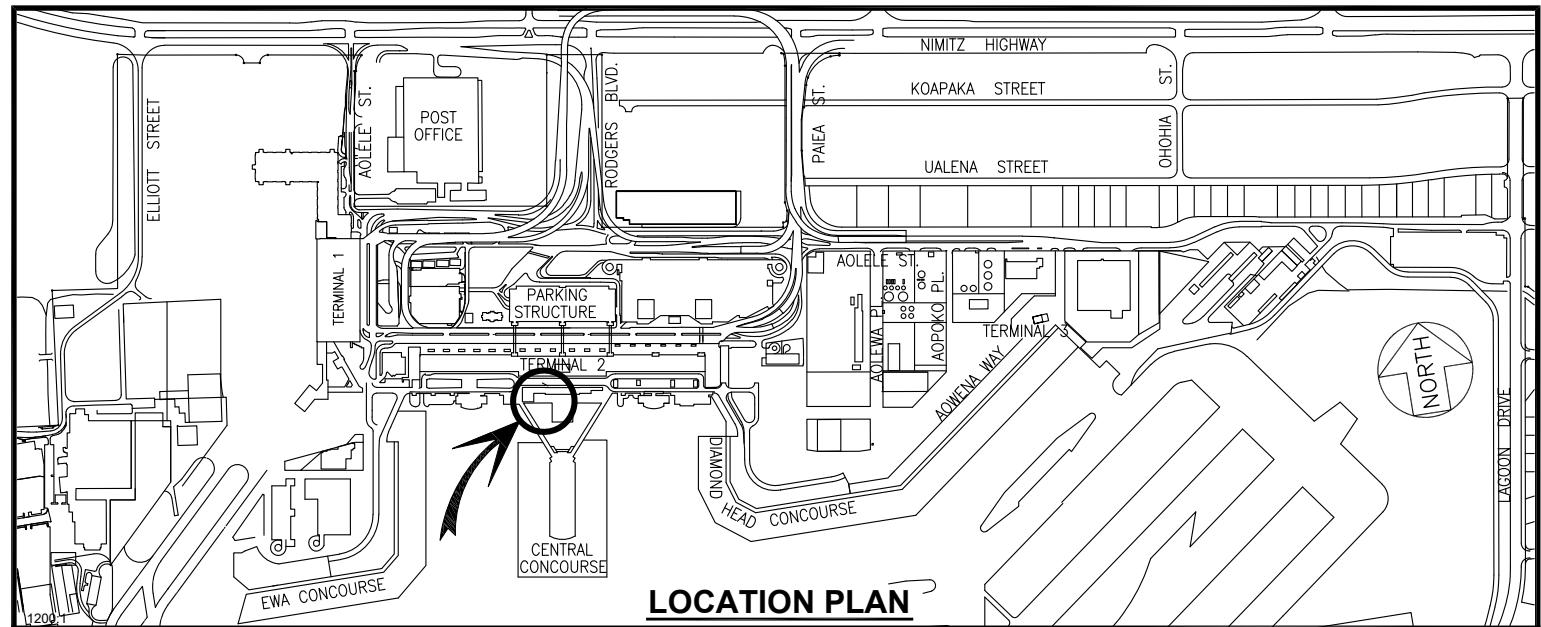


AIRPORTS

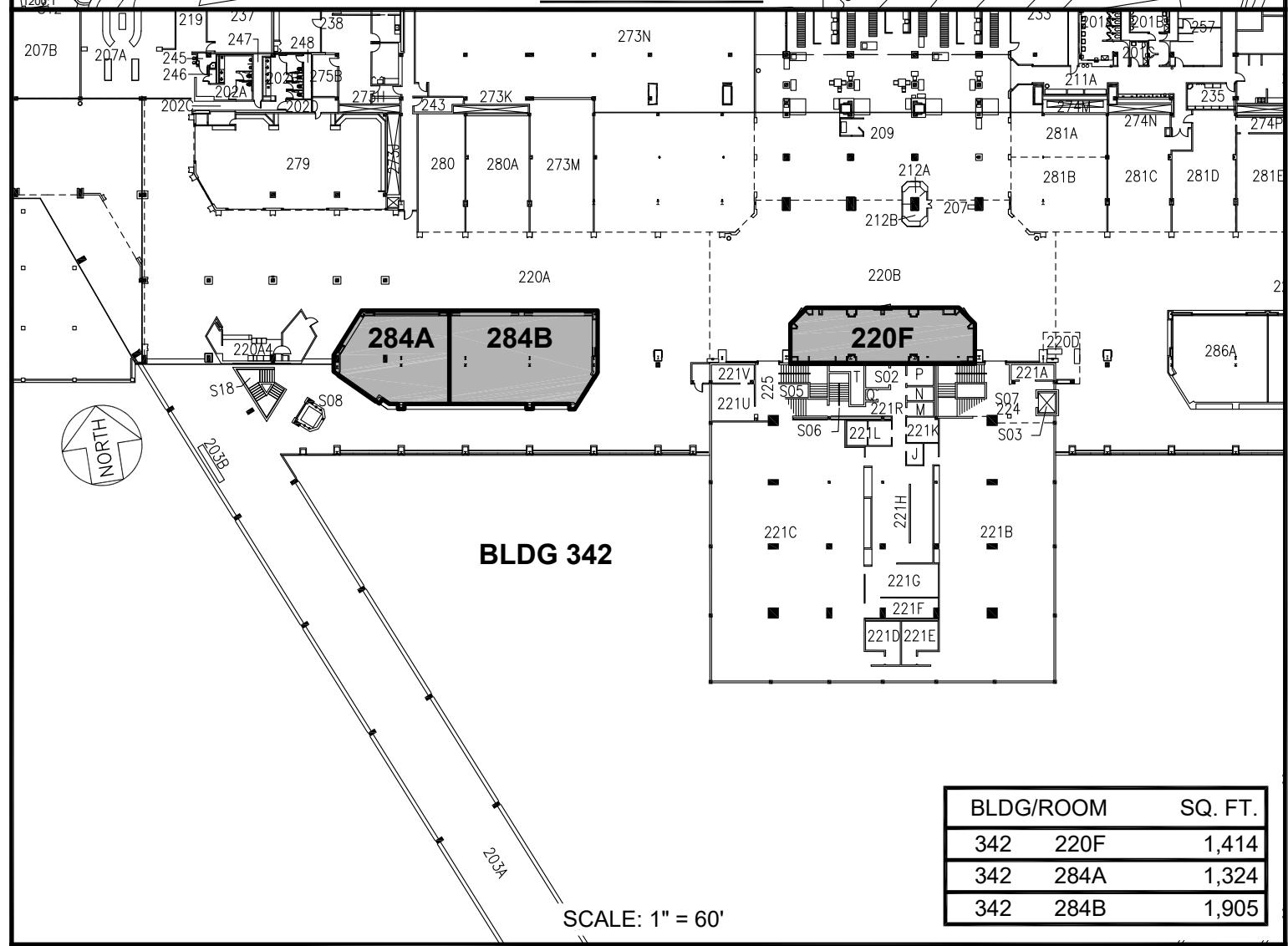
INTERNATIONAL SHOPPES
HNL PARTNERS, LLC

"AIRPORT"

DANIEL K. INOUYE INTERNATIONAL AIRPORT



LOCATION PLAN



BLDG 342

BLDG/ROOM	SQ. FT.
342 220F	1,414
342 284A	1,324
342 284B	1,905

SCALE: 1" = 60'

DOT-A-26-0003

DATE : JANUARY 2026

EXHIBIT: **B**

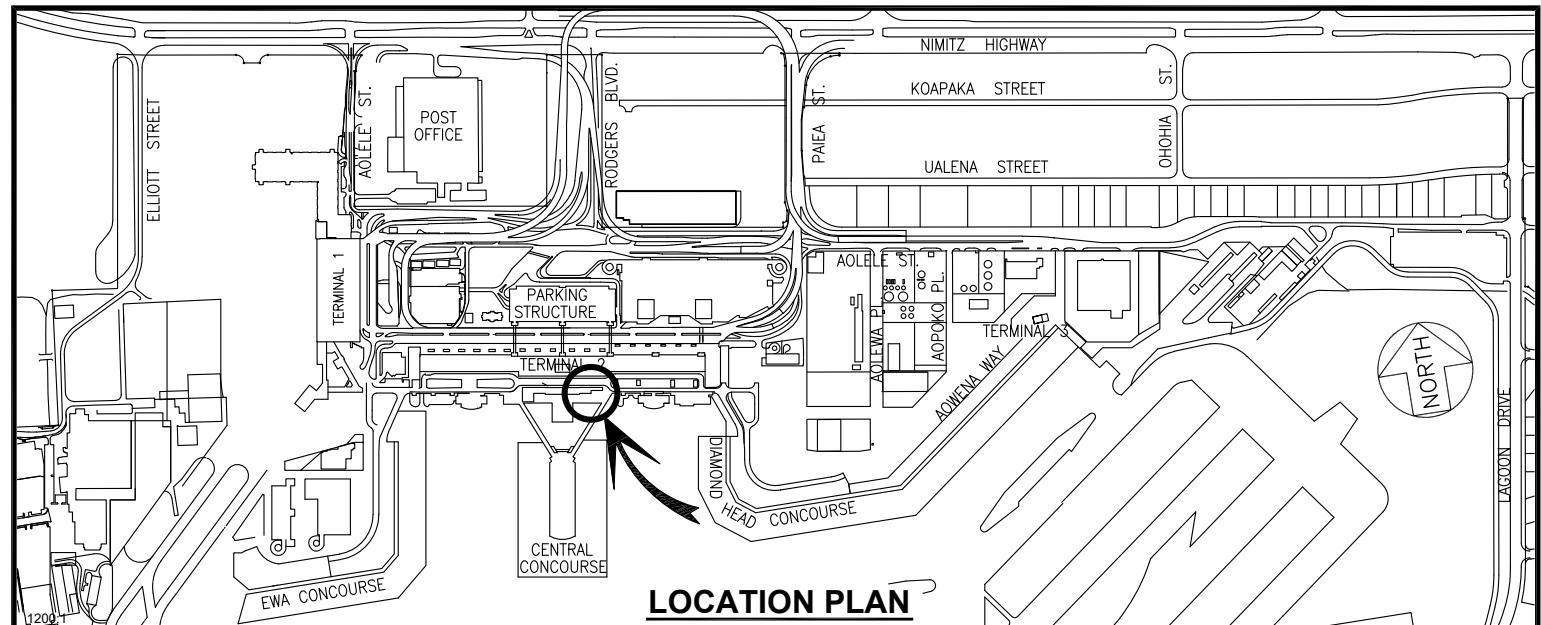


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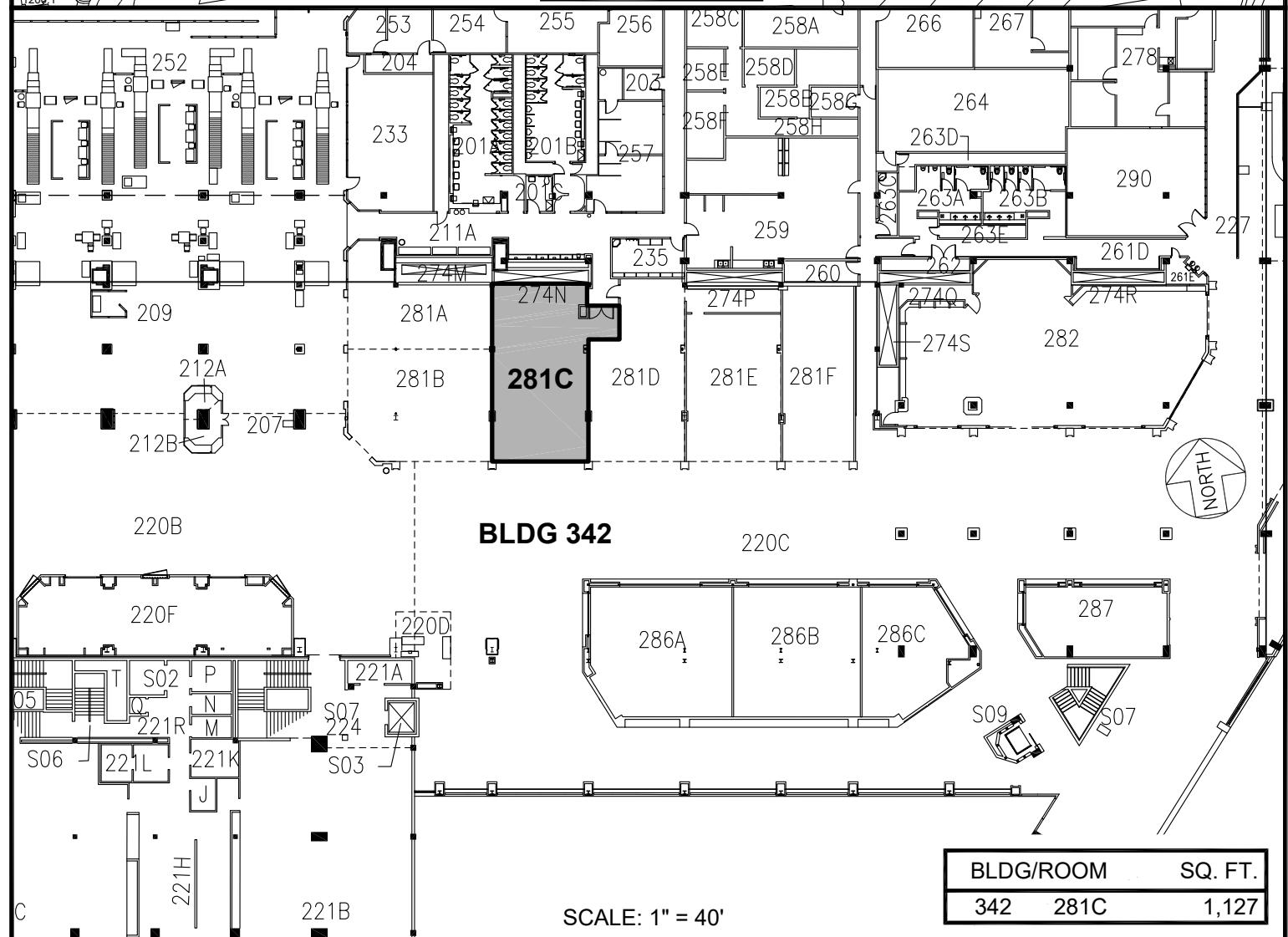
INTERNATIONAL SHOPPES
HNL PARTNERS, LLC

BUILDING 342
WAITING LOBBY
SECOND LEVEL

342220F
342284A
342284B



LOCATION PLAN



SCALE: 1" = 40'

DOT-A-26-0003

DATE : JANUARY 2026

EXHIBIT:

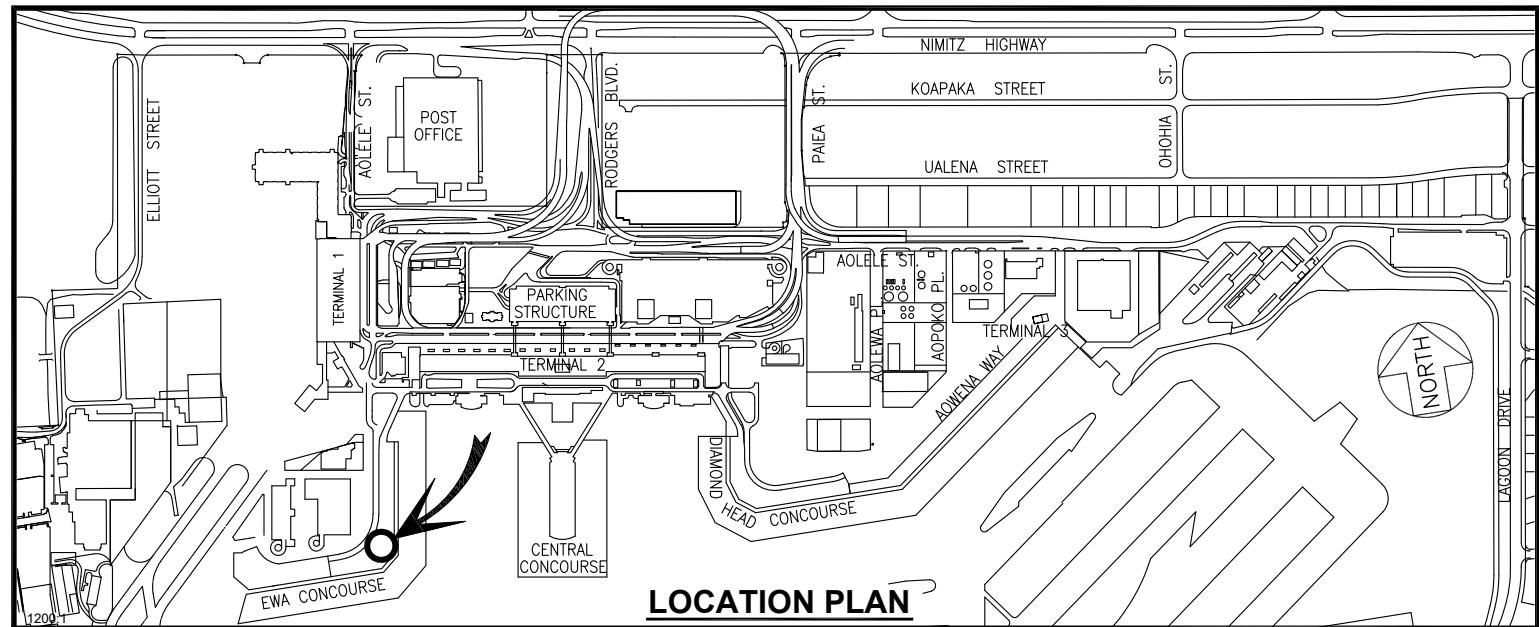


AIRPORTS

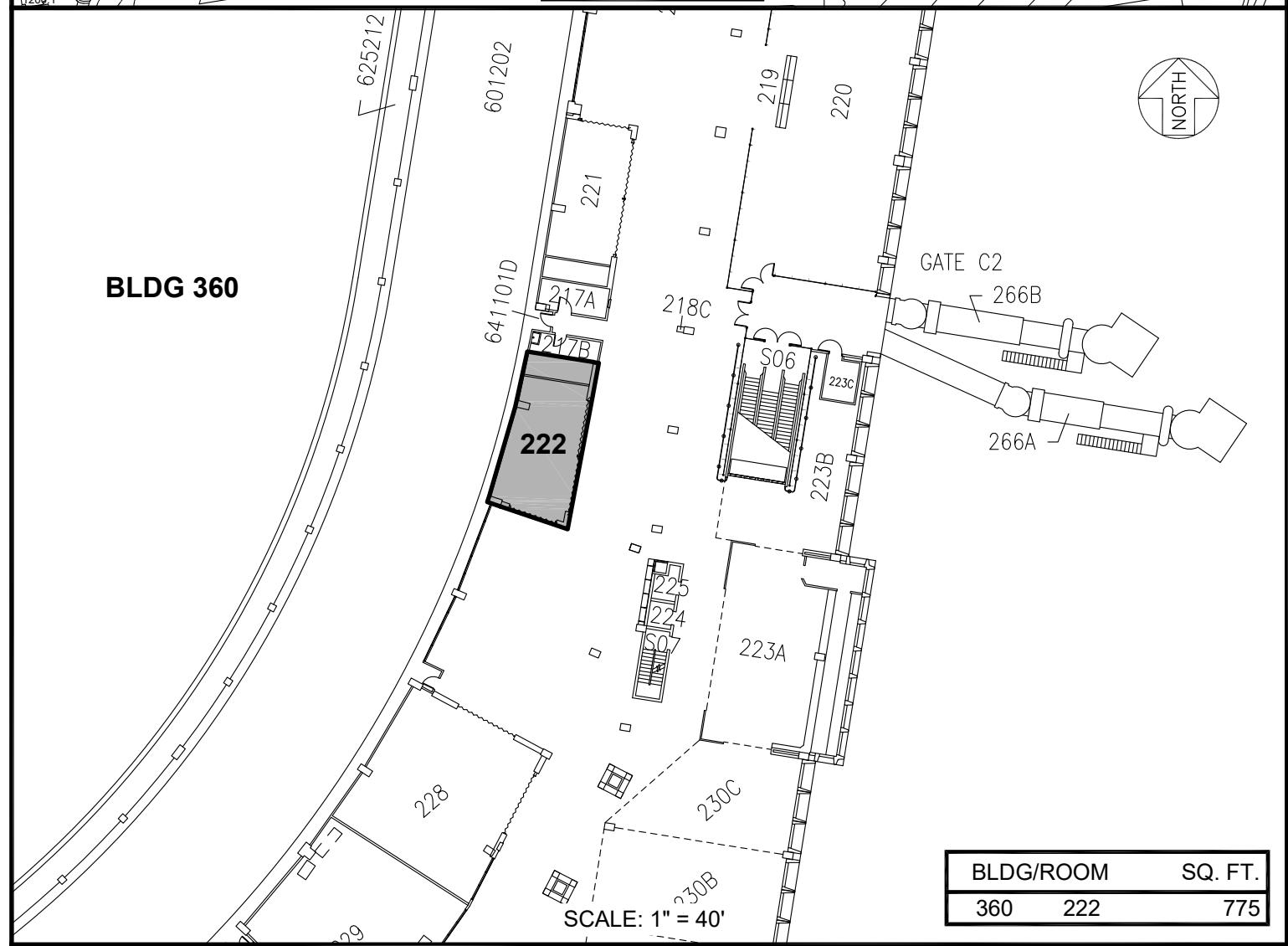
INTERNATIONAL SHOPPES HNL PARTNERS, LLC

BUILDING 342
WAITING LOBBY
SECOND LEVEL

342281C



LOCATION PLAN



DOT-A-26-0003

DATE : JANUARY 2026

EXHIBIT: D



AIRPORTS

INTERNATIONAL SHOPPES
HNL PARTNERS, LLC

BUILDING 360
EWA CONCOURSE
SECOND LEVEL

360222

DANIEL K. INOUYE INTERNATIONAL AIRPORT

