

1 [Lease Amendment No. 3 - World Duty Free Group North America, LLP - Terminal 2
2 Newsstands, Coffee and Specialty Stores - Term Extension]

3 **Resolution approving Amendment No. 3 to the Terminal 2 Newsstands, Coffee and**
4 **Specialty Stores Lease No. 10-0232, between World Duty Free Group North America,**
5 **LLP, as tenant, and the City and County of San Francisco, acting by and through its**
6 **Airport Commission, for an extension of the term for no later than June 30, 2023,**
7 **with a condition that the Airport Director, at his sole and absolute discretion, may**
8 **terminate earlier by providing six months' advance written notice, with no change to**
9 **the current minimum annual guarantee, subject to adjustment in accordance with the**
10 **terms and conditions of the Lease, effective upon approval by the Board of**
11 **Supervisors.**

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13 WHEREAS, On July 6, 2010, by Resolution No. 10-0232, the Airport Commission
14 (Commission) awarded the Terminal 2 Newsstands, Coffee and Specialty Stores Lease
15 No. 10-0232 (Lease) to Host International Inc. (Original Tenant) for five facilities located in
16 Terminal 2 of the San Francisco International Airport (Airport); and

17 WHEREAS, On September 14, 2010, by Resolution No. 417-10, the Board of
18 Supervisors approved the Lease; and

19 WHEREAS, On December 6, 2011, by Resolution No. 11-0296, the Commission
20 approved Amendment No. 1 to the Lease, modifying certain defined terms Section 4 of the
21 Lease; and

22 WHEREAS, On December 8, 2015, by Resolution No. 489-15, the Board of
23 Supervisors approved Amendment No. 1 to the Lease; and

1 WHEREAS, On November 20, 2012, by Resolution No. 12-0263A, the Commission
2 approved the assignment of the Lease by Original Tenant to World Duty Free Group North
3 America, LLP; and

4 WHEREAS, Staff has determined that, due to the COVID-19 pandemic and the
5 resulting severe decline in enplanements and concession traffic, commencing a new Request
6 for Proposals process for this Lease would not be prudent because there would not be
7 sufficient interest to conduct a strong competitive process; and

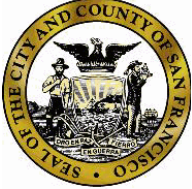
8 WHEREAS, On December 15, 2020, by Resolution No. 20-0252, the Commission
9 approved Amendment No. 3 to the Lease to extend the term of the Lease to maintain
10 concession operations, preserve customer service, and maintain revenue; and

11 WHEREAS, On January 5, 2021, by Ordinance No. 5-21, the Board of Supervisors
12 approved the COVID-19 Emergency Relief Program for Airport Concession Operations, which
13 will be set forth in Amendment No. 2 to the Lease; now therefore, be it

14 RESOLVED, That this Board of Supervisors approves Amendment No. 3 to the
15 Terminal 2 Newsstands, Coffee and Specialty Stores Lease No. 10-0232 with World Duty
16 Free Group North America, LLP to extend the term of the Lease to no later than June 30,
17 2023, with a condition that the Airport Director, at his sole and absolute discretion, may
18 terminate earlier by providing six months' advance written notice, a copy of which is on
19 file with the Clerk of the Board of Supervisors in File No. 210342; and, be it

20 FURTHER RESOLVED, That within thirty (30) days of the amendment being fully
21 executed by all parties, the Airport Commission shall provide the final amendment to the Clerk
22 of the Board for inclusion into the official file.

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City and County of San Francisco

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

Tails Resolution

File Number: 210342

Date Passed: May 11, 2021

Resolution approving Amendment No. 3 to the Terminal 2 Newsstands, Coffee and Specialty Stores Lease No. 10-0232, between World Duty Free Group North America, LLP, as tenant, and the City and County of San Francisco, acting by and through its Airport Commission, for an extension of the term for no later than June 30, 2023, with a condition that the Airport Director, at his sole and absolute discretion, may terminate earlier by providing six months' advance written notice, with no change to the current minimum annual guarantee, subject to adjustment in accordance with the terms and conditions of the Lease, effective upon approval by the Board of Supervisors.

May 05, 2021 Budget and Finance Committee - RECOMMENDED

May 11, 2021 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Haney, Mandelman, Mar, Melgar, Peskin, Preston, Ronen, Safai, Stefani and Walton

File No. 210342

I hereby certify that the foregoing
Resolution was **ADOPTED** on 5/11/2021 by
the Board of Supervisors of the City and
County of San Francisco.

Angela Calvillo
Clerk of the Board

London N. Breed
Mayor

5/21/21

Date Approved