

AIRPORT COMMISSION

CITY AND COUNTY OF SAN FRANCISCO

RESOLUTION NO. 16-0072

**APPROVAL OF A FACILITY LEASE WITH CHINA AIRLINES LIMITED FOR CARGO WAREHOUSE AND OFFICE SPACES AT AIRPORT BUILDING 648 ON PLOT 10**

WHEREAS, China Airlines Limited ("Tenant") is a Signatory Airline to 2011 Lease and Use Agreement No. L10-0082; and

WHEREAS, Tenant currently conducts its cargo handling operations at Airport Building 648 on Plot 10 pursuant to Lease No. 10-0347, which has a five-year term; and

WHEREAS, Lease No. 10-0347 expires on April 8, 2016 and Tenant wishes to continue its tenancy at Airport Building 648 on Plot 10 for its cargo operation at the Airport; and

WHEREAS, Airport staff has negotiated a Facility Lease with Tenant for a term of three years, with one option to extend the term for three years exercisable at the Airport Commission's discretion, for approximately 33,246 square feet of cargo warehouse space and approximately 4,836 square feet of office space in Airport Building 648 (the "Lease"); and

WHEREAS, the initial annual rent will be \$898,735.20 based on Fiscal Year 2015/16 rate of \$23.60 per square foot per year, and which rent will be adjusted according to the Airport Rates and Charges – Cargo Building Warehouse Rate; now, therefore, be it

RESOLVED, that the Airport Commission hereby approves and authorizes the Airport Director to execute a Facility Lease with China Airlines Limited for approximately 38,082 square feet of cargo warehouse and office spaces in Airport Building 648, for a term of three years, with one three-year option to extend the term exercisable at the discretion of the Airport Commission, and on such other terms and conditions set forth in the Director's Memorandum; and be it further

RESOLVED, that the Airport Commission hereby directs the Commission Secretary to forward the Facility Lease to the Board of Supervisors for approval.

*I hereby certify that the foregoing resolution was adopted by the Airport Commission*

*at its meeting of* \_\_\_\_\_

**MAR 01 2016**

  
Secretary