

1 [Airport Concession Leases – Subway, Jalapeno Grill, Guava & Java, and Mission Bar & Grill]

2
3 **Resolution approving Amendment No. 1, retroactive to April 14, 2011, to Domestic**
4 **Terminal Food and Beverage Lease No. 03-0185 with Baysubway Airport (Subway); No.**
5 **03-0187 with Luna Azul Corporation (Jalapeno Grill); No. 03-0191 with Guava & Java**
6 **(SFO), Inc. (Guava & Java); and No. 03-0199 with Burger Joint, Inc. (Mission Bar &**
7 **Grill), and the City and County of San Francisco, acting by and through its Airport**
8 **Commission.**

9
10 WHEREAS, The Airport has closed Boarding Area E for approximately one year for
11 major renovations; and

12 WHEREAS, During this renovation, Subway, Jalapeno Grill, and Guava & Java, will
13 lose approximately 80% of passenger traffic which supports their businesses while Mission
14 Bar & Grill is required to close its facility; and

15 WHEREAS, The Airport Commission approved Resolution Nos. 11-0080, 11-0081,
16 11-0082, and 11-0083, which includes suspension and reinstatement of the Minimum Annual
17 Guarantee, Tenant Infrastructure Fee and Food Court Fee; now, therefore, be it

18 **RESOLVED**, That the Board of Supervisors hereby approves Amendment No. 1,
19 retroactive to April 14, 2011, to Lease No. 03-0185 with Baysubway Airport; No. 03-0187 with
20 Luna Azul Corporation; No. 03-0191 with Guava & Java (SFO), Inc.; and No. 03-0199 with
21 Burger Joint, Inc., as follows:

- 22 1. Period of Suspension and Reinstatement of Fees. The Renovation Period
23 commences on April 14, 2011 and ends when the Airport Director, in his sole and
24 absolute discretion, determines that the renovations are complete.

1 2. Minimum Annual Guarantee ("MAG")

- 2 • MAG associated with Boarding Area E shall be waived during the Renovation
- 3 Period.
- 4 • Subway, Jalapeno Grill, and Guava & Java shall have the option to continue its
- 5 operations and pay percentage rent only as stipulated in their Lease. During
- 6 this Renovation Period, these Leases will have a prorated MAG based on the
- 7 square footage of its other locations.

8 3. Fees and Charges

- 9 • The Tenant Infrastructure Fee associated with Boarding Area E shall be waived
- 10 during the Renovation Period.
- 11 • The Food Court Fee associated with Boarding Area E shall be waived during the
- 12 Renovation Period.

13 FURTHER RESOLVED, That the Airport Director shall take all steps necessary to

14 implement such Amendment No. 1 to the Leases, including execution of the appropriate

15 documents.



City and County of San Francisco

Tails
Resolution

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

File Number: 110540

Date Passed: July 19, 2011

Resolution approving Amendment No. 1, retroactive to April 14, 2011, to Domestic Terminal Food and Beverage Lease No. 03-0185 with Baysubway Airport (Subway); No. 03-0187 with Luna Azul Corporation (Jalapeno Grill); No. 03-0191 with Guava & Java (SFO), Inc. (Guava & Java); and No. 03-0199 with Burger Joint, Inc. (Mission Bar & Grill), and the City and County of San Francisco, acting by and through its Airport Commission.

July 13, 2011 Budget and Finance Committee - RECOMMENDED

July 19, 2011 Board of Supervisors - ADOPTED

Ayes: 11 - Avalos, Campos, Chiu, Chu, Cohen, Elsbernd, Farrell, Kim, Mar, Mirkarimi and Wiener

File No. 110540

I hereby certify that the foregoing
Resolution was ADOPTED on 7/19/2011 by
the Board of Supervisors of the City and
County of San Francisco.

Angela Calvillo
Clerk of the Board

Mayor Edwin Lee

Date Approved