

1 [Lease Amendment - Domestic Terminal 3 Common Use Club - American Express Travel
2 Related Services Company, Inc.]

3 **Resolution approving Amendment No. 3 to the Domestic Terminal 3 Common Use**
4 **Club Lease No. 13-0006 between American Express Travel Related Services**
5 **Company, Inc., as tenant, and the City and County of San Francisco, acting by and**
6 **through its Airport Commission, as landlord, to temporarily relocate the American**
7 **Express Centurion Lounge from its Terminal 3 premises to Terminal 2 during the**
8 **construction of the Terminal 3 West construction project, expected to last**
9 **approximately two years, with a temporary decrease of the Minimum Annual**
10 **Guarantee amount to \$2,025,827.70 and of the annual Promotional Charge to \$9,035**
11 **and a day to day extension of the Lease term from July 18, 2014, through November**
12 **5, 2031, during the temporary operation of the Centurion Lounge in Terminal 2.**

13
14 WHEREAS, On November 10, 2020, by Resolution No. 13-0006, the Airport
15 Commission (the "Commission") awarded the Terminal 3 Common Use Club Lease No. 13-
16 0006 ("Lease") to American Express Travel Related Services Company, Inc., as tenant
17 ("Tenant") for the operation of the American Express Centurion Lounge ("Centurion Lounge")
18 in Terminal 3 of the San Francisco International Airport ("Airport"), for a term of 10 years,
19 initially scheduled to expire November 5, 2024; and

20 WHEREAS, On October 22, 2013, by Resolution No. 367-13, this Board of Supervisors
21 approved the Lease; and

22 WHEREAS, On October 6, 2020, by Resolution No. 20-0180, the Commission adopted
23 the COVID-19 Emergency Rent Relief Program for Airport Concession Tenants, which was
24 memorialized in Amendment No. 1 to the Lease ("Amendment No. 1"); and
25

1 WHEREAS, On January 5, 2021, by Ordinance No. 5-21, this Board of Supervisors
2 approved Amendment No. 1; and

3 WHEREAS, On November 10, 2020, by Resolution No. 20-0207, the Commission
4 approved Amendment No. 2 to the Lease ("Amendment No. 2"), which increased the square
5 footage of the Centurion Lounge to approximately 15,287 square feet, established an
6 increased Minimum Annual Guarantee ("MAG") amount of \$3,226,546 for the newly expanded
7 premises, increased the annual Promotional Charge to \$15,287, extended the term of the
8 Lease through to November 5, 2031, and provided for a further day to day extension of the
9 term in the event that the Centurion Lounge had to cease operations due to construction of
10 the Airport's T3 West construction project; and

11 WHEREAS, On June 8, 2021, by Resolution No. 270-21, this Board of Supervisors
12 approved Amendment No. 2; and

13 WHEREAS, On March 4, 2025, by Resolution No. 25-0043 the Commission approved
14 Amendment No. 3 to the Lease ("Amendment No. 3"), which (i) temporarily relocates the
15 Centurion Lounge from Terminal 3 to Terminal 2 during the construction of the Airport's T3
16 West construction project, for approximately two years, commencing around July 1, 2025; (ii)
17 establishes a new MAG amount of \$2,025,827.70 and annual Promotional Charge of \$9,035
18 to reflect the decrease in square footage of the Terminal 2 premises; (iii) commits the Airport
19 to construct a new entrance to the Centurion Lounge at the original premises in Terminal 3
20 and (iv) confirms the day to day extension of the Lease term during the temporary operation of
21 the Centurion Lounge in Terminal 2; and

22 WHEREAS, Given the inherent uncertainty around the schedule and logistics of
23 temporarily relocating tenants during a large scale construction project such as the Terminal 3
24 West construction project, Amendment No. 3 also authorizes the Airport Director to enter into
25 further non-material modifications of the Lease in order to implement the purposes of the

1 temporary relocation of the Centurion Lounge without the further approval of the Commission
2 or Board of Supervisors, provided that the terms of any such modification do not otherwise (a)
3 materially increase the financial obligations or liabilities of City; (b) increase the term of the
4 Lease, or (c) change the permitted use under the Lease; now, therefore, be it

5 RESOLVED, That this Board of Supervisors approves Amendment No. 3 to the
6 Terminal 3 Common Use Club Lease No. 13-0006, a copy of which is on file with the Clerk of
7 the Board of Supervisors in File No. _____; and, be it

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